

TWENTY CENTS

AUGUST 17, 1929

119 #7

AUG 20 1929

Sales Management

The Weekly Magazine for Marketing Executives



John W. McPherrin

General Sales Manager, Chamberlain Laboratories, Des Moines, Iowa

Why Chamberlain Gets the "Regular"
Price in a Cut-Price Field

World Delegates Meet in Greatest
International Advertising Convention

THE **P**rofit spectrum

is a Market guide

An editorial by
W. C. Dunlap, Vice-President
in charge of sales
The American Multigraph
Sales Co.

EXAMINE your range of markets through the prism of close analysis (as so many executives are doing nowadays) and you will find that it presents as many shades of color as a refracted ray of light. You may find, also, that a disconcerting share of those markets shades off toward the red end of the spectrum—a discovery that has its illuminating side if you are one of the many executives faced with a situation of profits which do not keep pace with volume.

Business today is definitely facing the fact that markets vary in value. Selling, to be successful, must be selective. It must devote the major portion of attention to those markets covered by the upper portion of the profit spectrum and avoid those markets that shade "into the red."

The market variations which govern profit

variations may be of several types—geographical, vocational, financial, or many others. Whatever they are, it is the responsibility of management to discover them—and to discover how to concentrate sales effort in those markets whose shade of profit is near the top of the spectrum.

In planning our own sales activities we have met this situation by means of careful market analysis coupled with the development of new Multigraph equipment which simplifies selective cultivation of preferred markets.

Our policy of selective concentration has brought about a very decided increase in our net profit. It has reduced our selling expense, and, although the number of prospective customers kept on our mailing list for active cultivation has been materially reduced, our volume of sales

has increased.

Executives who would be interested in more detailed discussion of our approach to the problem of finding and cultivating the fruitful markets for our product are invited to write. Please address W. C. Dunlap, 1832 E. 40th St., Cleveland, Ohio.

*Do
You Know
Your
Market?*

There is a new

MULTIGRAPH

for today's new selling conditions

the Story of a NEWSPAPER

as told in its pages

Circulation

JULY CIRCULATION.

State of Illinois, County of Cook, ss.,
JAMES N. SHRYOCK, business manager of THE
CHICAGO DAILY NEWS, does solemnly swear that the
actual number of copies of the paper named printed and sold
during the month of July, A. D. 1929, was as follows:

Days	Copies	Days	Copies	Days	Copies
1.....	432,077	12.....	418,327	23.....	421,958
2.....	428,359	13.....	401,942	24.....	422,266
3.....	417,397	14.....	SUNDAY	25.....	415,070
4.....	420,701	15.....	414,517	26.....	411,732
5.....	403,428	16.....	422,193	27.....	402,003
6.....	403,428	17.....	417,710	28.....	SUNDAY
7.....	SUNDAY	18.....	419,077	29.....	419,380
8.....	455,092	19.....	417,476	30.....	422,334
9.....	421,259	20.....	405,725	31.....	425,943
10.....	420,637	21.....	SUNDAY		
11.....	415,870	22.....	423,044		
Total for month.....					10,895,517
Allowances for papers missed.....					46,611
Total sold, net.....					10,848,906
Daily average sold.....					417,265

All "exchanges," copies used by employees, unsold and
returned papers are deducted in determining the net paid
circulation.
Subscribed and sworn to before me this 1st day of August,
A. D. 1929.
[L. S.]
GUY SHIELDS, Notary Public.

The circulation of The Chicago Daily News was built and is maintained solely on its merits as a newspaper.

It is a home circulation . . . 88 per cent of The Daily News press run is sold after 12 o'clock when the tide of the city is homeward. It is a Chicago circulation . . . 95 per cent of its distribution is concentrated in Chicago and its suburbs.

It is always a definitely known quantity.

For more than fifty years The Daily News has published each day a sworn statement of its circulation day by day for the previous month at the head of its editorial column. In addition The Daily

News is a charter member of the Audit Bureau of Circulations.

The Daily News believes that the advertiser has a right at all times to know not only the circulation quality but the exact circulation measure of his purchase.



ADVERTISING REPRESENTATIVES

NEW YORK
J. B. Woodward
110 E. 42d St.

CHICAGO
Woodward & Kelly
360 N. Michigan Ave.

ATLANTA, A. D. Grant, 711-712 Glenn Bldg.
Member of The 100,000 Group of American Cities

DETROIT
Woodward & Kelly
408 Fine Arts Bldg.
SAN FRANCISCO
C. Geo. Krogness
308 Crocker 1st Nat'l
Bank Bldg.

THE CHICAGO DAILY NEWS

Chicago's Home Newspaper

Books

Recommended
by the Editors

Industrial Advertising Copy

By R. Bigelow Lockwood

Advertising Counsellor
McGraw-Hill Publishing Company, Inc.

Mr. Lockwood, who contributes frequently to *SALES MANAGEMENT*, has spent twenty-two years in writing, supervising and directing industrial advertising. The book presents clearly, concisely and ably the essential facts that the writer of copy should know before he attempts to reach industrial markets with his printed message. 326 pages, 96 illustrations. Price, postpaid, \$3.00.

Mail Order and Direct Mail Selling

By S. Roland Hall

Mr. Hall, who is the head of the agency bearing his name, and a frequent contributor to *SALES MANAGEMENT* and other business magazines, is the author of several valuable handbooks on various angles of marketing. His latest book presents the fundamentals of the dual field of mail order and direct mail activities, and describes the methods used by such firms as the Frank E. Davis Company, Armstrong Cork Company, Montgomery Ward and Company, Book-of-the-Month Club, etc., etc. Like all Hall books, it is thoroughly practical. 500 pages, with many illustrations and examples of successful letters.

Price, postpaid, \$5.00

Crying Our Wares

By Howard W. Dickinson

This book was reviewed on page 392 of *SALES MANAGEMENT* for February 16th. Should be valuable to all persons in sales work and promotion. Written by the former Vice-President of the George Batten Company, it tells the intimate details of many campaigns with which he was in close contact.

Price, postpaid, \$3.00.

SALES MANAGEMENT

Book Service

420 LEXINGTON AVENUE
NEW YORK CITY

Survey of Surveys

BY WALTER MANN

Circulation Breakdowns of Women's Magazines by Retail Shopping Areas

Unstinted praise must again be accorded *McCall's Magazine* for their latest eight and one-half by eleven-inch (fileable) thirty-six-page tabulation and the six colored maps that go with it. This series of tabulations, graphs and maps show detailed circulation data for the six* "leading women's magazines," as compared with the total population figures by Retail Shopping Areas.

As might be expected from the title, "Circulation by Retail Shopping Areas," the 683 divisions or areas used are those shown in J. Walter Thompson's "Retail Shopping Areas," 1927 edition. These same divisions have been used by *McCall's* Research Department for previous statistical and promotional efforts.

For the many who are interested in a breakdown of woman's magazine circulation by these 683 divisions, this booklet is bound to have unusual interest. In the first section are shown tabulations of the amount of population versus the amount of circulation for each magazine, in each of the 683 centers: (1) in the center proper, (2) in the balance of the area surrounding the center, and (3) the total for each area, including the center. The numbers of counties in each area are also tabulated and act as a guide of sorts to the density of population in that area. For ease in tabulation by states, and in making up of the attendant maps, the occasional overlapping of an area into a few counties outside of a given state (See R. S. A. 1927 edition) has been absorbed into the figures of that state. The discrepancy thus caused is, they say, very small.

The next eight pages of this study are also of real interest. They show (by bar charts) the percentage of population in each of four major divisions (cities of 500,000 and over and their surrounding areas; cities of 100,000 to 500,000; of 25,000 to 100,000 and of 25,000 and under), followed by more bar charts on the same page showing the percentage of circulation of each of the six women's publications in the centers and areas within the four size-groups. This also is shown by cities alone and by areas surrounding the cities, as well as by total areas, including the cities.

Interesting as these sets of graphs are, the figures for the total circulations of the various magazines, as compared with the total populations within each of these four size-groups, are equally so. For instance, in the fourteen areas with centers over 500,000, the percentage for each individual magazine is consistently higher

than the population percentage for those same fourteen areas. The population percentage is 26.8. The high magazine in this division (G. H.) shows 36.4 per cent, while even the low magazine (McC.) has a slight advantage over the population figures, with 27.5 per cent.

Following the figures from which these percentages are derived a little further, we find some interesting conclusions. Despite the slightly higher percentages of the magazines in the 500,000 and over classification, the total population in bigger cities, and their surrounding areas, is shown to be 30,679,219, whereas the total available circulation in the six women's magazines (totally ignoring that much-discussed subject of duplication) is shown to be 4,023,061. Even discarding the foreign born, the illiterates and the children under twelve, and dividing by 4.2 people a family in the most approved fashion to get the number of families, this still appears to leave a goodly margin of uncovered circulation in the fourteen biggest cities and their surrounding areas.

In the fifty-eight areas with centers of 100,000 to 500,000 population, we find that all magazines devote more of their circulation to these cities than they do to the smaller-sized centers and the areas surrounding them. The population percentage is 24.3, while even the low (McC.) has 25.3 per cent of its circulation in these 100,000-500,000 areas. The high magazine (W. H. C.) has 30.6 per cent. The total population for the area is 27,815,880, while the total available circulation in these six magazines is 3,628,651.

In the 149 areas with centers of 25,000 to 100,000 population, we find that the percentages of certain magazines begin to drop below the population percentage of 22.2. (Notably G. H., 18.8 per cent; L. H. J., 20.5 per cent, and Del., 20.8 per cent.) This obviously means that the coverage of this very important stratum (25,000-100,000) is not quite as complete as in the larger centered areas. The total population for this group is 25,480,332. The total available circulation 2,720,926.

Finally, in the 462 areas with centers of 25,000 population and under, we find that all the publications, including *McCall's*, are below the population percentage of 26.7! *McCall's*, however, is high with 24.7 per cent. All the others are hovering between 17.8 per cent and 19.6 per cent. What a story for the small-town magazine or the farm paper! They've been telling it for years, but this is told with such obvious simplicity that it has in it the real elements of conviction. So, too, have the population and total circulation figures: population, 30,517,138; available circulation, 2,521,513. Why, oh why, should the small town and the farm areas be step-children?

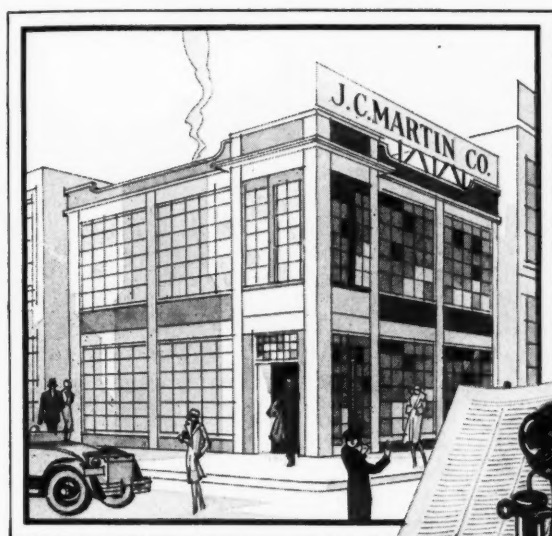
The balance of this pamphlet shows the leadership of the six various magazines in various ways. For instance, it shows that *McCall's* leads in amount of circulation

(Continued on page 315)

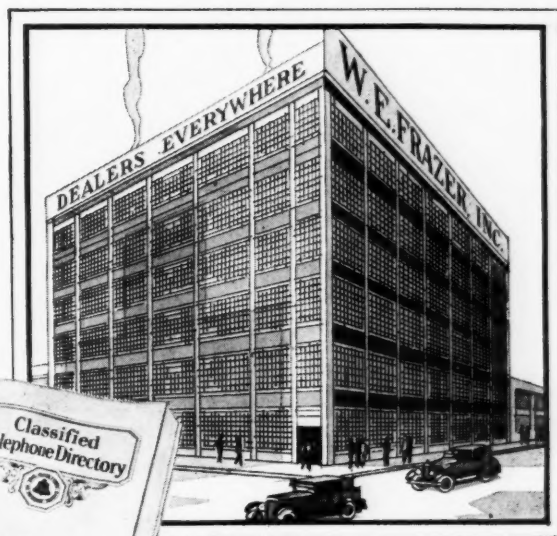
* (i. e., *Ladies' Home Journal*, hereafter L. H. J.), *Pictorial Review* (P. R.), *Woman's Home Companion* (W. H. C.), *McCall's* (McC.), *Delineator* (Del.) and *Good Housekeeping* (G. H.).

Businesses large or small

can match the Bell System Trade Mark Merchandising Service exactly to their retail distribution



The small firm can use the service in just those sections or cities which comprise its market.



The larger business can list its dealers in as many as 14,500,000 homes and businesses throughout the country.



INCREASING use is being made of the Bell System Trade Mark Merchandising Service by firms having sectional distribution of their products. The unique feature of the service . . . *that it can be matched exactly to market requirements* . . . makes it especially valuable for businesses of all sizes.

An ice cream company doing business solely in New England contracts to place information about its dealers in 375,000 New England homes and business establishments in the 188 towns it serves. While a manufacturer of washing machines

has purchased the service to list, in the 7000 cities and towns comprising his national market, the nearest dealer to each of 8,200,000 telephone subscribers.

The Trade Mark Merchandising Service is a feature of Bell System Classified Telephone Directories. In them, products are now listed under their advertised trade names . . . together with the names, addresses and telephone numbers of the local dealers . . . so consumers can locate them quickly and easily.

The Bell System Trade Mark

Merchandising Service reaches 14,500,000 telephone subscribers in 20,000 towns and communities throughout the country. It can be used completely—or in any desired group or classification of cities or sections. Its cost is thoroughly reasonable.

Your local Bell Company will be glad to give you further information and show you how this new merchandising aid can be of benefit to your own business. Telephone the Business Office today. Or write the Trade Mark Service Manager, American Telephone and Telegraph Co., 195 Broadway, New York City.

WHERE TO BUY IT



THE NEW SERVICE IN YOUR
CLASSIFIED TELEPHONE DIRECTORY

SHELF WARMING costs more than Advertising!



IN about fifteen thousand grocery stores in New York City there are more than fifteen thousand cases of a certain food product. When the package is exposed for three weeks, enough moisture gets through the protective carton to make the product tough, stale looking and tasting. The product belongs to an advertised line, but was introduced with almost no advertising. Everytime the salesmen opened an outlet, they closed an account—because the turnover is next to nothing. And every time a retailer sells a package today, he makes a customer for a competing product.

This competing product is almost identical, but sells rings around the first mentioned. The competitor's package averages about two weeks from its first appearance in a freight car until its ultimate arrival in the customer's wastebasket. It is well merchandised, and persistently advertised. It makes money for its maker, for its distributors and retailers.

You make no money when the dealer's money is tied up in your static product. You get no repeat business when he pays high shelf rent. It would be better business for both of you if you used The News.

THE largest circulation in America reaches about sixty percent of every retailer's customers in New York City. The small news page in the small paper helps advertising to reach more prospects more effectively. And the small cost of The News as an advertising medium makes static stock and shelf warming too costly. Investigate!

THE NEWS

New York's Picture Newspaper

25 PARK PLACE

NEW YORK

Kohl Bldg., San Francisco ♦ Tribune Tower, Chicago

VOL.
Aug
Publ
Satu

RAYM
Editor;

144
A. T. T.

I
3
G. D. Y.

S
CATTS -

Establish

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The Weekly Magazine for Marketing Executives

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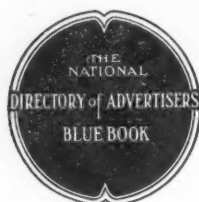
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informs you of

WHO'S WHO, HOW MUCH AND WHAT

in the field of

National Advertising

This service is invaluable to Agencies, Publishers and all who sell to National Advertisers

The James McKittrick Company Blue Book of National Advertisers, Volume 16, contains 595 pages and lists 9,084 advertisers with complete personnel, trade names, advertising agencies placing accounts, with agency contacts and amount of appropriation in many instances. media, time of year lists are made up, method of distribution with number of distributing units completing a picture of the size of the organization listed.

A SAMPLE LISTING:

THOMAS', THE

Chicago, Ill 844 W Rush

Hair & Scalp Specialists

Paul A Thomas president

C R Swinehart gen mgr directs adv.

purchasing & buying of printing

Harry Atkinson Inc adv agts Chicago

(Harry Atkinson agency man)

(Gn Tp Ce Rb Dm)

Appropriation: \$125,000 for offices owned by P A Thomas; \$300,000 for entire system
Distribution: In Cities where Treatment Offices are maintained (48)

Sample pages and more detailed information on request.

The James McKittrick Co., Inc.
Publishers

200 Hudson Street
New York, N. Y.

THE JAMES MCKITTRICK CO., INC., Publishers,
200 Hudson Street, New York, N. Y.

Please send me further information on The National Directory of Advertisers' Blue Book.

Name

Address

City and State

Position

Company

S.M. 8-17-29



These most valuable booklets of the week will be sent free to executive readers who make a separate request for each one on their business letterheads. Booklets will be mailed by the companies which publish them.

Address SALES MANAGEMENT, INC., Reader's Service Bureau, 420 Lexington Avenue, New York.

Markets and Media

Where the Blue Begins—being the point at which the red line of losses evolves into the blue one of profits on the business barometer chart. A booklet which it is a pleasure to peruse because of the attractiveness of its make-up, and the original, intelligent style in which the *New Yorker* presents some arresting arguments in favor of New York as the market of quickest acceptance of a new product. An imposing array of examples of spectacularly successful initial campaigns launched in the New York market and advertised simultaneously in the *New Yorker*, caps a powerful argument.

Agropolis—the aptly coined name by which *The Farmer* has labeled the Northwestern territory of Minnesota, the Dakotas and the Westernmost counties of Wisconsin. Geographically widespread and scattered it becomes a circumscribed, compact, easily-reached and saleable market through the thorough and intensive coverage of *The Farmer*.

And the Greatest of These is Common Sense. A clever, distinctive booklet gotten up by Matador for the *National Shelter Group* publications, whose subscription lists offer a highly selective list of prospects for advertisers of construction, equipment, remodeling and decoration of buildings materials.

Preference That Is the Result of Results. The *Pittsburgh Press* was so pleased with the enthusiasm with which was greeted the opening in Pittsburgh of the Press Approved Home, that they have gotten out a large single-sheet folded broadside about it, and have supplemented the announcement with a summary of advertising lineage by major classifications in the three Pittsburgh newspapers, apportionment of Pittsburgh advertising schedules, and division of Pittsburgh advertising during 1929. Statistics by *Media Records, Inc.*

Direct Mail

Uncoated Facts on Coated Papers. In

an exquisitely conceived and executed booklet Louis DeJonge & Company explain why the better grades of coated papers materially lower printing costs. Tells how superior effects may be achieved in printed pieces by the selection of richer, more expensive papers whose easy printability discounts the ultimate cost of the job.

How to Select Type Faces and Inter-type Features. Two unusually instructive booklets issued by the Intertype Corporation. Many a man has shied at the task of selecting a type face for a particular printing job he was interested in, simply because of the confusing number and assortment of diverse types to choose from. The Intertype Corporation in the first of the above booklets, has done an admirable piece of work in simplifying the matter by grouping all type faces under five headings, and proceeding to tell the kind of work each face is used for.

Motion Pictures

Motion Pictures in Advertising and Selling. Visugraphic Pictures, Inc., offer a motion picture advertising service including requirement analysis, scenario writing, actual production, distribution, and guaranteed supplementary publicity. Their booklet, of which only a limited edition has been printed, gives approximate costs, list of present clients and uses of the motion picture in connection with the selling, technical, propaganda and educational phases of business.

Style in Merchandise

Fashion—Its Three Progressions. This booklet, issued by the G. Lynn Sumner Company, charts the three progressions of fashion as trade, geographic and social, and assures us that these trends are traceable and measurable, and when understood and controlled may be made sources of profit to modern business. This company offers a service which is in effect a manufacturer's insurance against being taken off his guard by freak changes in style.

THESE 10 Trimmed Sizes FOR Printed Pieces CUT WITHOUT WASTE

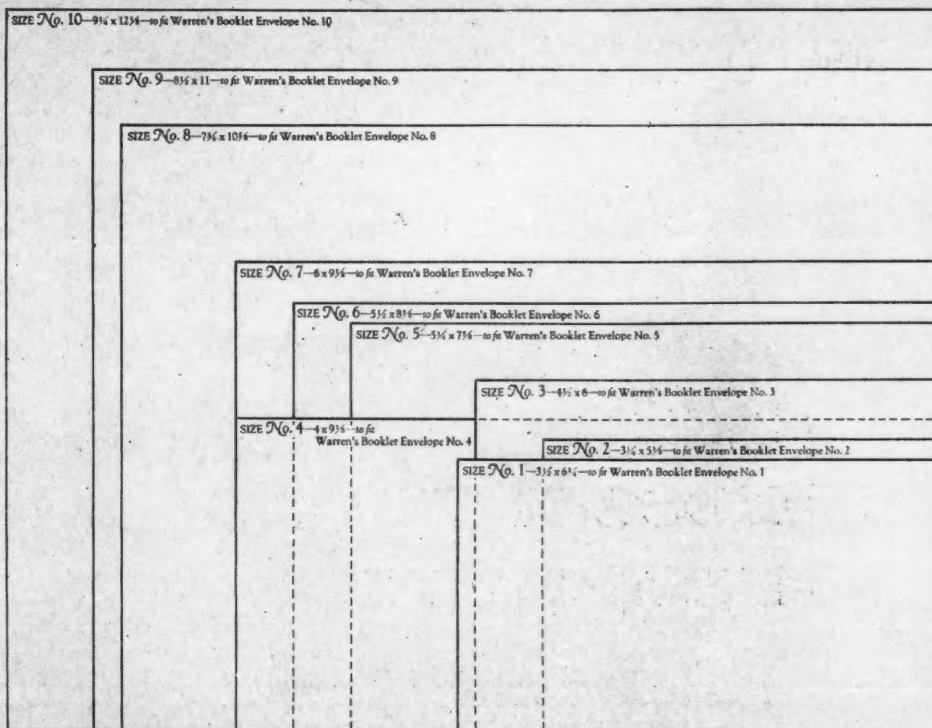
FROM
4 paper sheet sizes in stock

26 x 29
25 x 38
32 x 44
35 x 45

and WARREN'S BOOKLET ENVELOPES to fit are
carried in stocks of paper merchants handling
Warren's Standard Printing Papers.

Use

- SIZE No. 1—For envelope enclosures
(Fits Warren's Booklet Envelope No. 1) Cuts from 26 x 29
- SIZE No. 2—For small booklets or folders
(Fits Warren's Booklet Envelope No. 2) Cuts from 32 x 44
- SIZE No. 3—For folders or small booklets
(Fits Warren's Booklet Envelope No. 3) Cuts from 25 x 38
- SIZE No. 4—For letter enclosures
(Fits Warren's Booklet Envelope No. 4) Cuts from 25 x 38
- SIZE No. 5—For pocket size pieces
(Fits Warren's Booklet Envelope No. 5) Cuts from 32 x 44
- SIZE No. 6—For booklets and small catalogs
(Fits Warren's Booklet Envelope No. 6) Cuts from 35 x 45
- SIZE No. 7—For catalogs and booklets
(Fits Warren's Booklet Envelope No. 7) Cuts from 25 x 38
- SIZE No. 8—For purchasing agents' pieces
(Fits Warren's Booklet Envelope No. 8) Cuts from 32 x 44
- SIZE No. 9—For filing size pieces
(Fits Warren's Booklet Envelope No. 9) Cuts from 35 x 45
- SIZE No. 10—For large area pieces
(Fits Warren's Booklet Envelope No. 10) Cuts from 25 x 38



The actual size of this chart is 11" x 17"

Fit your booklet sizes to the Warren chart and save money

YOUR booklet and someone else's may not differ much in size. Perhaps only a fraction of an inch each way. Yet one of them cost a lot more to print than the other.

Why? Just because that fraction of an inch made one booklet a non-standard size. Special-sized paper and special envelopes had to be made. The job required special handling throughout.

Your printer doesn't make money on these special operations. But he has to charge you for them. They're part of the overhead that odd-size jobs always entail. And they do come high!

Why not avoid this extra cost? It's easy enough

to do. And the quality of your mailing pieces won't suffer.

Just ask your printer for the new Warren Chart of Sizes for Mailing Pieces. It carries actual-size diagrams of mailing piece sizes—plenty for all practical needs. There's a swatch of envelopes, too, showing sizes that fit each mailing piece.

Keep the Chart right under the glass on your desk. It's a handy size—only 11" x 17". When you want to get out a booklet or folder, just select the size you need—and have your dummy cut to fit.

That dummy will be standard. It will fit Warren standard envelopes. It will cut without waste from

standard sized paper sheets. And those sheets fit standard presses—no waste press area.

No waste time, either. Standard sheets and envelopes are always on hand at the paper merchant's. Your printer can get them at a moment's notice. He's not held up by slow delivery. And he can give his whole time to turning out a really fine job for you.

Ask your printer for one of these Charts. Keep it handy where you can use it. It will save lots of trouble in planning mailing pieces—and you'll be helping your printer to save *your* money.

If he can't supply you, write direct to us.



S. D. WARREN COMPANY, 101 Milk Street, Boston, Massachusetts



**-rich
-receptive
-responsive**

*... the most fertile consumer
market in the world!*

NOT only is the New York Market the largest and richest single buying market in the world, but it is the most fertile as well—offering greater opportunity for sales than any other territory anywhere.

Its 9,958,000 people have more, earn more and spend more for the good things of life than any other comparable group . . . they constitute a liberal, open-minded, receptive audience—who are always ready to buy—at all times interested in new things and new thoughts on known products . . . and they are the world's most responsive buying group—as proven sales experience testifies.

In this greatest of all markets there is one sales producing factor which stands head and shoulders above all others . . . the New York Evening Journal.

Scores of campaigns comprising a great diversity of products furnish concrete evidence that the New York Evening Journal is "the most powerful sales weapon" in this most fertile sales area.

There is an overwhelming public preference for the New York Evening Journal . . . it has more than **DOUBLE** the home-going circulation of the next largest standard evening newspaper!

It goes into the family circles of the highest earning and largest spending classes; it reaches the greatest number of worthwhile people in the evening . . . and offers the greatest opportunity to produce greatest sales volume at lowest sales cost.

That is why more and more national advertisers are concentrating more and more space in the New York Evening Journal.

NEW YORK EVENING JOURNAL

*One of the 28 HEARST NEWSPAPERS read
by more than twenty million people*

NEW YORK:
9 East 40th St.

CHICAGO:
Hearst
Building

DETROIT:
General Motors
Building

ROCHESTER:
Temple
Building

BOSTON:
5 Winthrop
Square

PHILADELPHIA:
Fidelity Philadelphia
Trust Bldg.

*Member of International News Service and Universal Service
Member of Audit Bureau of Circulations*

Sales Management

The Weekly Magazine for Marketing Executives

VOLUME NINETEEN, NUMBER SEVEN

NEW YORK, N. Y., AUGUST 17, 1929

"Forget Price Competition— Teach Your Dealers to Sell!"



Any concern that has despaired of increasing sales in the face of the apathy of the average retail clerk can apply the plan described in this article. This manufacturer, selling through drug stores, found that good salesmanship is the most effective weapon against cut-price rivalry. Make use of his ideas.

BY JOHN W. McPHERRIN

*General Sales Manager, Chamberlain Laboratories,
Des Moines, Iowa*

TO say that the average clerk in a drug store lives under the constant fear that an automatic vending machine may take his job away from him would probably be stretching a point. Yet from our own recent experience in teaching drug clerks to sell Chamberlain's hand lotion, we discovered that it is highly stimulating for the clerk to suspect that, as a salesperson, he may not be so very much better than such a machine, after all.

There's really a good deal of truth in the parallel. There are machines that make change, deliver the goods, and say "Thank you." And there are clerks who do little more than that, either.

It was this question of placing our product entirely at the mercy of indifferent, unskilled drug clerks that puzzled us when we launched Chamberlain's hand lotion on a national

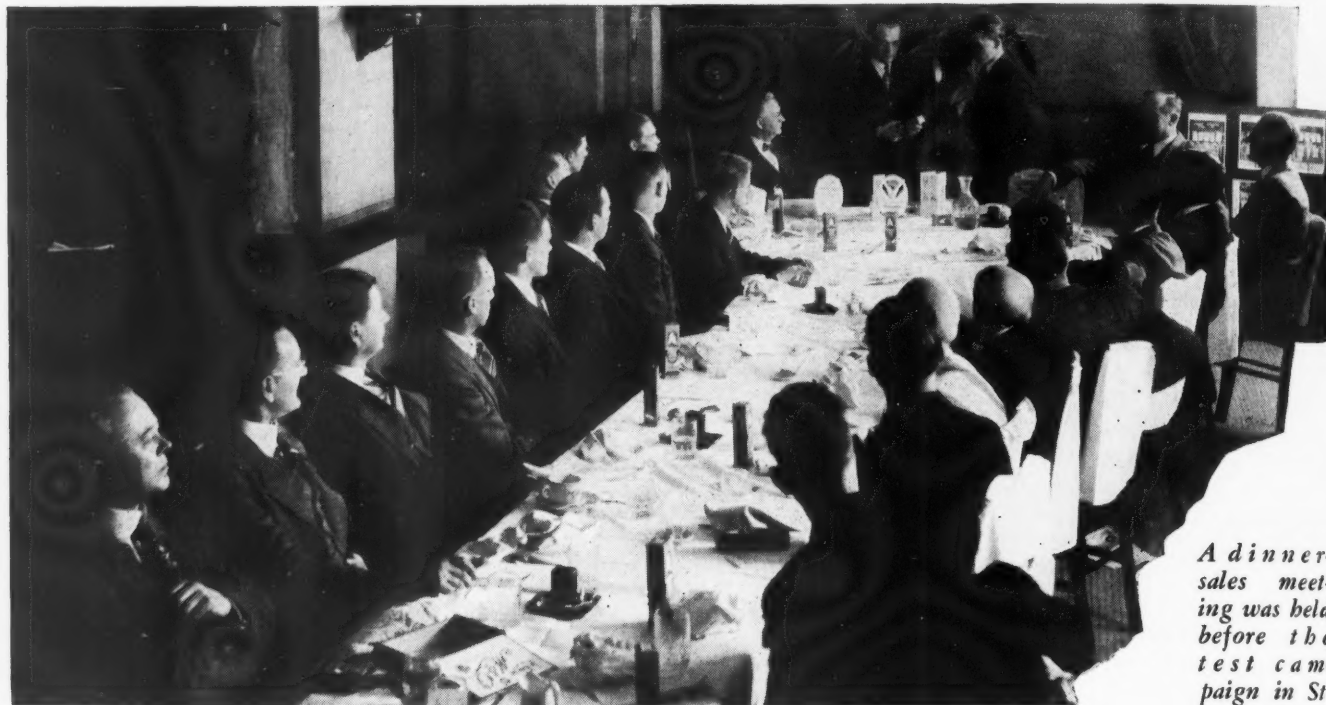
scale two years ago. And the only solution seemed to be to train the clerks to sell.

At that time many independent druggists who were our customers were very much agitated over chain store competition. And almost without exception, they failed to understand the exact nature of that competition. They thought they were competing with the chains' buying resources; actually they are competing with the chains' selling resources.

We shouldered the responsibility of pointing out to them that any advantage which the chains might hold in quantity buying was offset by the higher cost of chain store selling. Manufacturers have turned to the chains in the past, not for the sake of volume orders at big price concessions, but because chains were the only place where they had been able to get a real selling job done.

Since the competition between the independent druggist and the chain druggist is one of selling, it naturally resolves itself into a competition between their clerks. Because of their superior sales training, all the honors have gone to the chain store clerks. They consistently outsold the clerks in independent stores because they were vastly better salespeople.

These conclusions appeared so obvious to us that we wondered why more manufacturers weren't giving greater attention to the matter of training the clerks who were expected to sell their products. We didn't need to look very far for the answer. Many manufacturers had already supplied clerks with selling information. They had told clerks all about their products. They had explained how they could be sold. But they overlooked one vital point, that of giving the clerks some incentive to sell—



A dinner-sales meeting was held before the test campaign in St. Louis.

stimulating them to put forth an honest selling effort.

That's where our picture of the automatic vending machine comes into play. Through special sales bulletins to clerks, through personal contact with them at meetings and in stores, through advertising in the trade papers, we have used this and other graphic illustrations to impress upon drug store clerks reasons why it is distinctly to their advantage to stop being merely clerks and to become alert store salesmen.

Are Clerks Out of Date?

At one time, for example, we pointed out to the clerks that, if they failed to sell, their employers had only two alternatives: they could either sell out to chains or discharge their present clerks and replace them with clerks trained by chains. In either case the present clerks would be walking the streets.

At another time we asked the question, "Are clerks out of date?" Then answered our own question by explaining why "clerks" were decidedly out of date, but why "salespeople" never were.

This approach to the problem of sales training has given us a hearing among clerks which we probably never would have received otherwise. Once we get a hearing we have found it a comparatively easy undertaking to develop them into capable store salesmen. Once they really want to learn how to sell, they learn quickly enough. But until they do, no amount of educational material will teach them.

When we are asked how the clerks respond to this sort of treatment we cite the case of a young man in a St. Louis drug store who sold 111 bottles of Chamberlain's hand lotion in one short week. In another test campaign to determine whether our plan really did improve the sales ability of clerks, a single residential store in the same city sold 196 bottles in eight days. The clerks of twenty-six Des Moines stores sold 1,600 bottles during an eight-day campaign. In every other

Coming Soon: Three Articles on Standard Sales Talks

In a group of three articles to be presented in early issues of *SALES MANAGEMENT*, leading concerns in many different fields will tell their experience with standard sales presentations. Frigidaire, Copeland, Studebaker, International Business Machines, Hoover, Felt & Tarrant, and Chrysler are some of the companies that have contributed to this series.

Some of the plans described have not only resulted in sizable increases in sales volume, but have materially cut down the percentage of turnover on the sales force.

test campaign our sales have shown an immediate turn upward after we encouraged clerks to improve their selling methods.

From our own selfish standpoint these results might be sufficient. But from the standpoint of the druggists the sales instruction we have given their clerks has a much broader significance. If the clerks can sell one product with such conspicuous success during short store campaigns, then they can sell other projects just as successfully. The training they receive in selling our product, in other words, naturally improves their general selling ability.

Use Plan on Other Lines

In fact, we recommend that druggists use Chamberlain's as a leader for a week or ten days, and then feature other lines on the same basis. After making a concerted effort to sell hand lotion on suggestion to people who come into the store with no intention whatever of buying hand lotion, they are qualified to extend the plan to other products as well. Many druggists who began the practice with Chamberlain's later sold other lines in even larger volume than they did the hand lotion, because as they grow more accustomed to this method of selling their results are correspondingly greater. They have demonstrated that independent drug stores can adopt sales tactics of chains and carry them out just as successfully.

We emphasize the point that each clerk must know four things about all products so featured: why is it bet-

ter? what are its uses? who are its prospects? when can it be sold? Our program of instruction covers each of these points thoroughly.

As an illustration, under the last of these four points we suggest a number of possible "combination sales" by mentioning that "The customer who buys a hand brush, soap or manicure supplies is thinking about the care of hands. As an extra sale, suggest Chamberlain's." Or, "The bathing beauty who buys a rubber cap will need the refreshing relief of Chamberlain's for her sunburn."

No Patent on Sales Ability

All the specific sales results I have mentioned have been achieved without any cut prices or bargain offers of any kind to give the customer a special inducement to buy. They are the results not of a merchandising miracle, but of sound, straightforward selling. Each sale was made entirely on the merits of the product and the suggestion of the clerk, rather than upon the strength of any price appeal. When a clerk might sell only a bottle of Chamberlain's a day to a person who asked for it specifically, we have proved by actual demonstration that he can sell a dozen bottles by offering customers a logical reason for purchasing. By so doing he not only is making an extra sale, but is likewise performing a useful service which in most cases is appreciated. He can do this, however, only when he becomes a salesperson rather than merely a clerk, and our first responsibility is to make him aspire to be a salesperson.

That is why we present our regular sales bulletins to druggists and their clerks with some such introduction as, "Druggists whose clerks have become salespersons do not fear competition. The future worries only those druggists whose clerks are still clerks. . . . There is no patent or copyright on sales ability. You find it in every successful drug store—chain or independent makes no difference. But you do not find active sales ability in a store that is going downhill!" The fact that this type of argument has stimulated drug stores to increase hand lotion sales by thousands of percentage points is proof enough that they find it convincing.

Before the test campaign took place in St. Louis we invited drug store clerks to be our guests at a dinner, where we staged actual sales demon-

strations in order to teach them how to sell on suggestion to the numerous Chamberlain prospects who came into their stores with little intention of purchasing a hand lotion. Possibilities of prospects were pointed out and the tactful way to suggest a purchase was shown.

For years the chain stores have been giving similar instructions to their clerks in the art of suggesting extra sales to customers.

This plan need not be confined to the drug business. Clerks in other classes of retail stores have the same chain-store competition and selling conditions to meet. There are many other products besides ours which lend themselves to this method of store selling.

We have discovered, however, that there are a few requirements which every product so featured should have. In the first place, of course, it must be a product of high enough quality and of sufficient individuality to respond to sales suggestion and to produce repeat sales. It must also be a product of daily use, such as toothpaste, razor blades, candy or similar items. As a protection to druggists it must yield a fair profit and have a fair price policy back of it, rather than a product whose retail price has been demoralized by price-cutting. In

fact, the plan loses a great deal of its effectiveness if sales are accompanied by cut prices. In order to bring maximum results the product must be well advertised, so that clerks will not be handicapped by pushing an unknown product.

To illustrate each of these points I might take our own product as an example. Unlike cream lotions, our lotion isn't sticky. We advertise it in eight women's magazines and in leading newspapers as "an invisible glove," beautifying the hands as it protects them. Hand lotion is, or should be, a product of daily use, and we call attention to all the different times of day when it is needed and all the different types of people who should use it regularly.

It has always been our policy to emphasize the point that Chamberlain's is a "50-cent lotion—not a 39-cent lotion." That is one of the principal reasons its sale is largely through independent drug stores. As a result of this policy the price of our product has never been made a football. Yet our experience has shown that it is possible to sell a product aggressively in drug stores and still keep the regular price.



Clerks are taught to pick out prospects for Chamberlain's. Among these are buyers of manicure supplies, or other toilet articles.



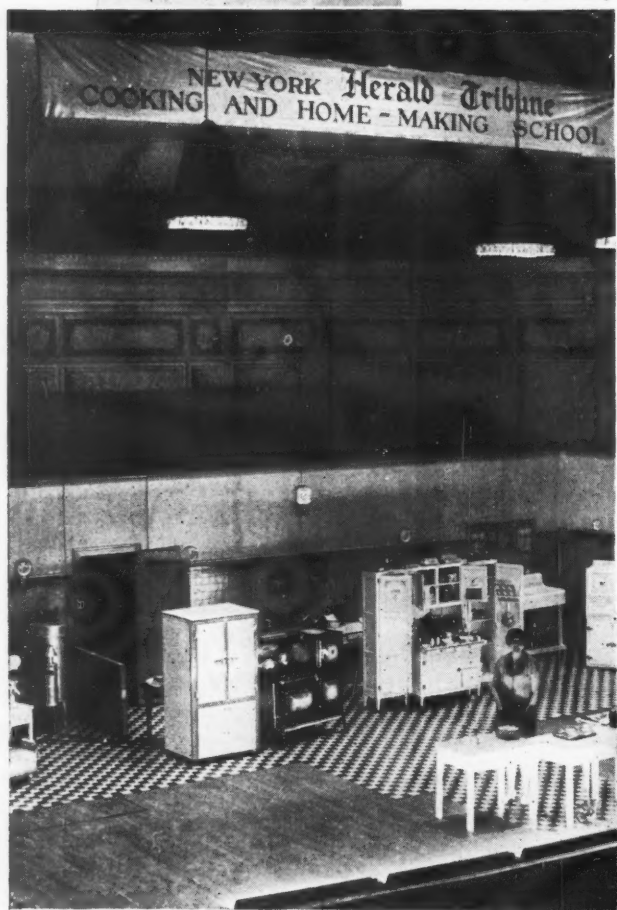
Ewing-Galloway

Can We Restore the Kitchen's Waning Glory?

Many sales executives in the gas appliance and kindred fields are wondering if a general "back to the kitchen" movement is a tactful thing to encourage, and if so, how should it be done? What kind of merchandising will win the interest of today's housewife? Here is one man's answer.

BY STANLEY G. SWANBERG

Vice-President, Botsford-Constantine Company,
San Francisco, California



"**T**HINK of it," penned Will Rogers, "in these times a woman who takes pride in her cooking stove!" Will says he found her almost hidden away on the vast prairie stretches of central Wyoming. He describes her as a kind, motherly soul, who, with her rugged, faithful husband, is keeper of one of these new aviation "lighthouses" which night after night help safely to speed the mail planes, bound East and West.

Forced landing pilots and passengers, en route to or from Cheyenne, are the chief socializing contacts this fine, practical couple have with the world at large. The ex-mayor of Beverly Hills was a starving man after his "spill" when he fortunately happened to meet Mrs. Ferguson. Ambrosia of the gods seemed to come from the appliance which, Will declared, was "one of the best looking cooking stoves I ever saw, a

Photos courtesy New York Herald Tribune

Perhaps the cooking schools sponsored by enterprising newspapers are an answer to a groping by great numbers of urban housewives for some intelligent guidance on the dignity of their main job when so many tantalizing distractions beckon.



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Photo by Lazarnick

The fact that hundreds of distracted husbands are writing to the women's magazines inquiring "How am I ever going to get a square meal at home again? Isn't it about time to start a movement to drive women back to the kitchen?" has a profound merchandising significance.

great big, dandy, white-enameled thing that burns either coal or oil, and what a pride she took in it."

As everyone knows, this man Rogers speaks in horse-sense terms on nearly every subject he essays. Now he comes right out with a challenge to produce an active cooking-stove brigade sold to the "pride of possession" argument so dear to the hearts of advertisers for years past. Not only in connection with cooking-stoves, but in home labor-saving appliances in general and auxiliary merchandise.

So many optimistic figures have been quoted of late in explaining the complex of the modern housewife and her ways. They point to the bathtub ratio of one to twenty-seven people in 1916, increased to one in ten and a half in 1925; one registered automobile for every eighteen families in 1913 to one in every one and four-tenths families in 1926. Further, we are directed to a 638 per cent increase in the perfumery, cosmetics and toilet preparations business in the decade from 1915. An industry then turning out products valued at \$19,160,407 is now well past the \$150,000,000 mark.

Paraphrasing Mr. Rogers, the writer might say that all he knows is what he reads in the papers or what he hears as he goes rambling around the commonwealth. But oftentimes comes the urge (born of curiosity perhaps, or a belief in the principle that to know the facts, go to the people) to do a little investigation on one's own.

For it is obvious that though the perfumers and cosmeticians may be well satisfied with things as they are, another group of earnest merchandising men are scratching their heads and wondering why their hard-hitting "drives" and "pride of possession" themes aren't registering as they should with these alert-minded, progressive, resourceful modern wives of ours.

And God bless them, we wouldn't for the world want them to revert to the period when the solemn dictum "Man works from sun to sun, but women's work is never done" was literally accepted as the inevitable law. But, just the same, despite all the ingenuity of science and invention and sales-brow perspiration, the fact remains that the pride of Mrs. Ferguson

in her cook stove doesn't, or rather hasn't, inspired the jealous envy of the majority of her modern sisters to the point of mass enthusiasm, which is the first principle of big-scale merchandising.

"And why not?" asks the maker of jazz-colored gas ranges, washing machines, ironers—of the whole assortment of modern home appliances. And with closely cupped ear the distributors of all our appetizing food specialties listen for an answer, too. For if cook stoves in the home are not used to normal capacity, then a slight falling off in demand per family for the wherewithal to be cooked assumes a total in the course of a year that amounts to some staggering sums. The manufacturers also view the cold statistics unearthed by the United States Census of Distribution in eleven trading centers showing that restaurant meals total 22.4 per cent of retail food sales. The restaurant business grows 10 per cent per year, we are further told, while population increases approximately but 2 per cent.

Of course, the big-volume food man will get his business from the restau-

rateurs if the purchasing agent for the home starts to desert him, even so slightly. But that doesn't help the maker of high-cost units for assuring more efficient management of the housewife's daily tasks.

Deep down is discernible an outcropping of a fundamental trait of feminine nature that has slowly, these past few years, crystallized itself into a readjustment of social values in the average American home since the war days. Briefly, there are two major premises to this readjustment which command attention:

(1) The newer habit-systems manifested in woman's present-day "freedom" view the home as a center of cultural and social development, rather than as a necessary workshop catering primarily to the family's need for existence in matters of food, clothing and shelter. This latter conception was more necessary in past generations, when Roosevelt's cry against race suicide was popularly received and the mother considered it her duty to be more or less perpetually kitchen-bound.

"Kitchen-Consciousness"

(2) The competitive urge in business which spurs men to invest, without much argument, in adding machines, typewriters, systems of profit control, etc., is negligible in the business of home making. Husbands fail, more and more, in the tactics they use for helping to direct the purchases of labor-saving devices for their own homes. They are inclined to stress the utilitarian advantage when it is a new sort of kitchen-consciousness that needs expression.

No doubt a chorus of disagreement will arise to these two premises. But let's analyze further and see if there aren't some rather pointed supporting bits of evidence. Let's go right back to this issue of the cooking-stove raised by Mr. Rogers.

In practically every metropolitan center the public utility interests, with gas service to sell, are right now making desperate bids to hold what home consumption business they have—let alone a striving for the satisfactory normal increases of a few years ago. Much money is being spent these days in surveys and analyses to determine what people are thinking about and how arguments are to be directed to influence greater home consumption of gas. The city of San Francisco may or may not be typical of the universal trend, but some recent findings are at least significant. It was found that:

In 164 typical modern and older homes, representative of better class, medium and poorer residential dis-

tricts, the average monthly gas revenue is only seventy-nine cents per month. This is approximately 100 per cent less than for the same districts five years ago. Nineteen of the homes still have old-fashioned gas plates; fourteen use a cooker with an old-fashioned underslung oven; twenty-four have coal ranges; thirty have combination coal and gas ranges only; seventy-seven, or only 46 per cent, have so-called modern gas or electric ranges, and of these only twenty-five have a lid top and only eighteen oven control.

Possibly it is surprising to learn that the investigators found a goodly number of these modern, attractive-looking ranges in the very shabbiest of homes, viewed from the exterior. In some, fine \$250 stoves represented nearly as great an investment as the rest of the furnishings in the house. What accounts for this?

An explanation ventured is that in these homes a common trait of grandmother's day still persists. Guests who come in are entertained in the kitchen. It is both a happy workshop and a benign atmosphere for convivial exchange of pleasantries. This type of "purchasing agent" in the big city—and they appear to be becoming fewer and fewer—loves to show off her most prized possession, just as did Will Rogers' Wyoming prairie hostess.

"Show Place" Changed

In a section just a few blocks away guests who come are even discouraged from entering the kitchen. The "show place" and new social center of the home is some place else and the attention is directed to cretonnes, futuristic odds and ends of furniture, an expensive radio, indirect lighting facilities—many different expressions of the native feminine instinct for creation other than culinary handiwork. The caterer is handily located just around the corner!

The picture brings to mind the confession made by a prominent woman's magazine editor on the writer's last visit to New York that her mail was bulging more than ever with correspondence from worried, distracted husbands. "How am I going to get a square meal at home again?" was a universal plaint. "During the war days you were filling columns with strong urges to our wives, to 'get out of the kitchen and get to making bandages or knitting sweaters or learn how to play golf and keep fit.' Isn't it about time to start a movement to drive them back into the kitchen again?"

When worried husbands commence to air themselves in this fashion, it is plainly evident they have a responsi-

bility which they are failing to understand, as factors in a new social age.

The number of homes where both husband and wife are wage earners in industry is mounting, rather than declining in these "freedom" days. Do some house-to-house investigating in any thriving city and see how often a neighbor tells you that "you'll find Mrs. Webster at home only in the evenings." And many a good doctor, in his comment on things in general, will tell you that many young wives and husbands are giving him the extra money earned to help save a pair of ruined digestive tracts.

Thoughtful analysis suggests that something more than perfunctory sales "drives" are needed to popularize a "back to the kitchen" movement. The legion of intelligent women who have learned to organize their time and interests in this fast-moving, alluring age are better housewives, more skilled mothers, more entrancing hostesses than the women in other days who were more prone to develop one-sided interests such as expert cookery, literary club activities, social service and so on.

"Trail Blazers" and Others

The "trail blazers" of every new age enjoy the experience of constant experimentation in new delights of living. To the intelligent modern housewife who naturally responds to persuasion advertising of the beauty, economy and marvelous efficiency of your brand of cooking stove or washing machine or floor covering—the home is sensibly viewed as both an enticing social center and a fascinating workshop, yet each decidedly divorced from the other in true proportion.

But there is a vaster majority, the up-to-date students of social trend tell us, who have relegated the desire to become "all-around" modern housewives to a secondary consideration. For them a different type of educational program than has yet been devised seems in order. How is one to reach the woman who, given money to buy furnishings for a home, puts the kitchen stove last on the list and the kind of stove she gets depends on how much is left after all other wants are supplied? Ask your dealer if the average of this class isn't pretty high.

This is a message to men in business and not to the women whose virtues and deficiencies both are being reviewed. It is to help these men take stock of how much they really know about what has been taking place since war-times in the basic habits of mind of the new feminine purchasing agent. The knowing editor of a foremost

(Continued on page 319)

Stock Market Contest Shoots Addressograph Sales to a New "High"

BY J. F. KERWIN

WHAT is declared to have been both the most interesting and successful sales contest ever held by the Addressograph Company, Chicago, and one instrumental in producing the greatest sales volume ever attained by this company closed recently.

Taking the form of a "Business Builders' Dividend Contest," the campaign was notable for the thoroughness and realism with which it was conducted. Contestants subscribed for stock, their stocks were listed on the "Van Buren Curb," a quotation board was placed in the company offices at 901 West Van Buren Street, stockholders were furnished subscription blanks, stock certificates and dividend checks, market letters, tips, and statements were sent, and regular and extra dividends were paid, to say nothing of a big melon-cutting and cash split-up.

"Every man has an urge to invest," the opening announcement pointed out—"to become part owner in some business enterprise that will pay him extra dividends—beyond the income from his daily toil. Nowadays most men do invest a portion of their earnings or savings. But generally it is necessary to invest outside one's own business—where one has no active voice in the management of the business or in its earnings. Seldom is it possible to invest in one's own business. Practically never is it possible to invest in a sure winner—guaranteed against any possibility of loss. When such an opportunity does present itself it certainly behooves every salesman to take advantage of it!

"The Business Builders' Dividend Contest is just such an opportunity! It offers you the opportunity to make an investment in yourself—to take stock in yourself and make that stock pay you extra dividends. No cash is necessary. All you invest is your ability—your experi-

ence—your time—your determination to win! . . .

"Manipulate your stock to win!

"In actual practice stocks earn dividends in proportion to the earnings or net profits of the business. In the final analysis, profits and dividends are the result of proper management—efficient methods and carefully directed efforts that build up net profits so that larger dividends may be declared.

"The same opportunity exists for you in this contest!"

Elsewhere in the same bulletin contestants were told that "What you really do is subscribe to stock in yourself—in your own ability to make a 110 per cent of your quota during the next three months. Your signature on the subscription blank entitles you to compete with other sales agents, senior and junior salesmen for \$2,000 in cash prizes and over \$5,000 in merchandise prizes—dividends worthy of your best efforts!"

An interesting stipulation was that "No one can share in cash dividends or merchandise prizes unless he has

scored 110 per cent of his contest quota. In other words, the market value of your stock must be above par in order to win."

The period of the contest was seventy-seven working days. All branch managers, sales agents, senior salesmen and junior salesmen were eligible to subscribe to stock and to participate in the distribution of merchandise and cash dividends.

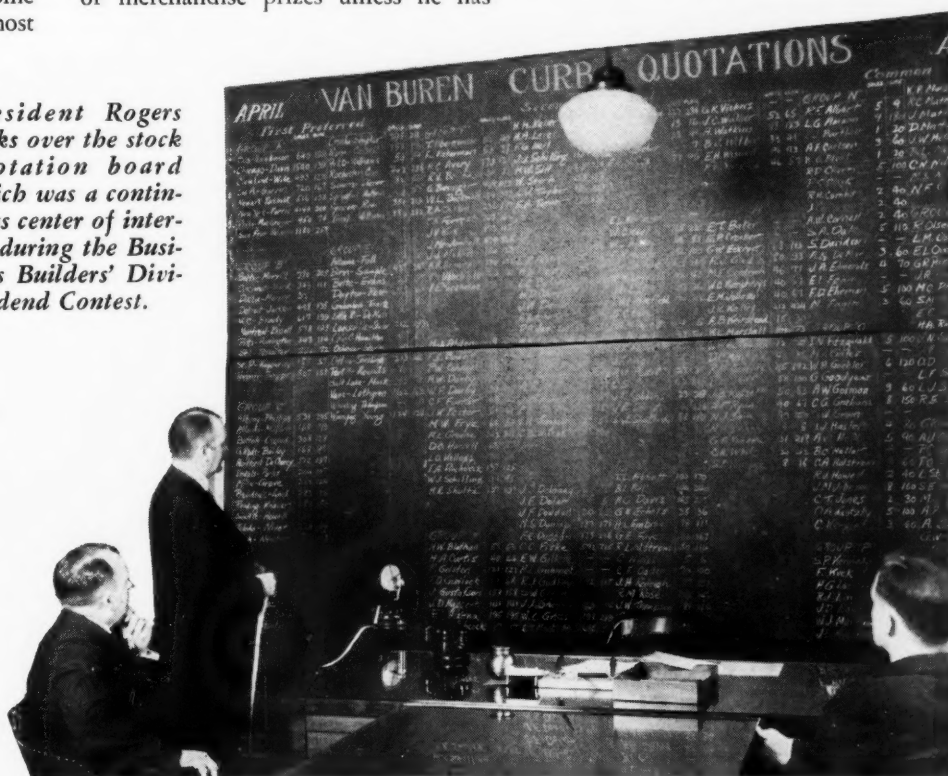
Sales agents, senior salesmen and junior salesmen were divided into competitive groups of "shareholders." Sales agents constituted the "First Preferred" list and were divided into five groups, arranged according to size of cities in which they were located. Each agent was referred to as a company by coupling the name of his city with his own name. Thus, "Boston-Hawkinson Company;" "Chicago-Davis Company."

Senior salesmen were the "Second Preferred shareholders" and were arranged in eight groups. They, too, were designated as companies under their own names. Thus, "T. Abercrombie Company."

Junior salesmen were the "Common Shareholders" and were classified in five groups and designated as individual companies.

Each contestant subscribed to and agreed to pay 110 per cent of par for a stipulated number of shares, equivalent to his three months' quota, on a formal subscription blank such as is used by security firms. He subscribed on a partial payment plan, agreeing to pay in as large and frequent instal-

President Rogers looks over the stock quotation board which was a continuous center of interest during the Business Builders' Dividend Contest.



ments as possible, "but in any case at the rate of not less than" one-sixth of the required number of points "on or before the fifteenth and thirtieth day of each month." The number of shares subscribed for, the number of points which he agreed to pay therefor (110 per cent of the number of shares), and the number of points to be paid semi-monthly were all filled in. As the contest lasted three months, each semi-monthly payment was to be one-sixth of the total. Right was reserved, however, to make payments in advance of due dates, in which case further payments would apply on additional shares at the same price.

When the subscription was received at contest headquarters a handsome stock certificate was sent the subscriber. This, like all other properties used, was realistic in every detail.

Seven-Day Dividends

As soon as a participant had sent in orders equivalent to 10 per cent of his contest subscription, he received a dividend check for the number of merchandise credits to which he was entitled. This check was numbered serially, carried a due date, but was provisional, however. Since in order to earn a dividend the shareholder had to attain not less than 110 per cent of his contest quota, and since one dividend check was issued for each 10 per cent of his subscription, he had to send in eleven such dividend checks before any of them would be honored. Since, again, there were seventy-seven working days, 10 per cent of one's quota was due and payable every seven days. Dividend checks, therefore, were due one every seven days and were so dated, but were not issued until payment had been made in the form of orders. If a subscriber was on time or ahead of time with his quota, he received his dividend check on time or ahead of time. If he was behind his quota, he was behind with his payments and no dividend check was sent him until he paid up. The checks thus indicated how he stood with respect to his quota.

When a salesman received eleven such dividend checks he was a winner, entitled to cash his checks for merchandise prizes listed in a catalogue furnished him.

Those who scored more than 110 per cent of their contest quota received additional dividend checks calling for $1\frac{1}{2}$ merchandise credits for each quota point above 110.

In addition, extra dividend checks for fifty merchandise credits were awarded semi-monthly to the leading sales agent in each group whose stock

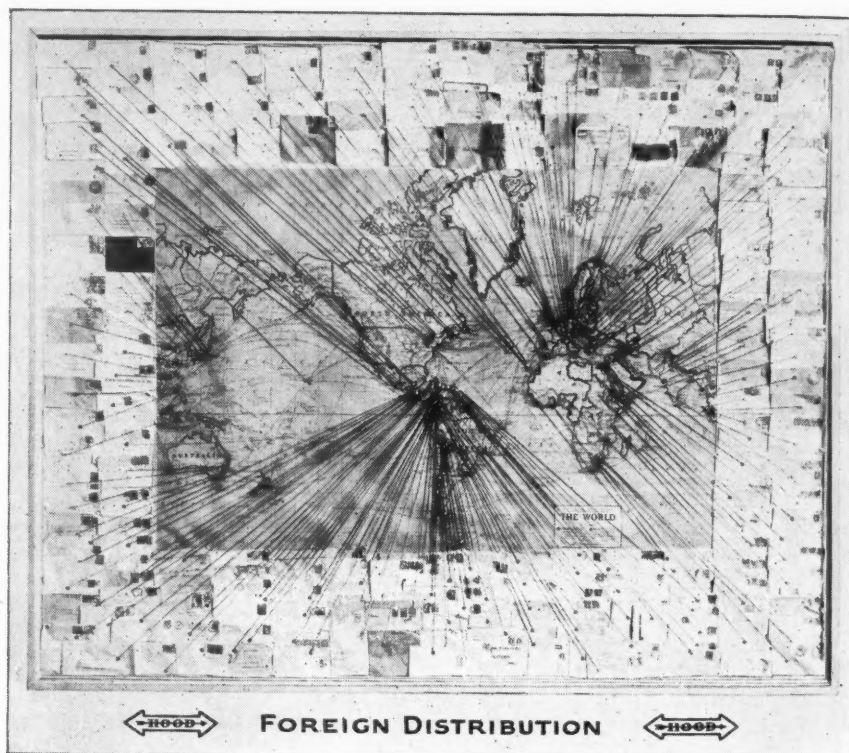
was "most active"; that is, who had made the highest percentage of quota during the period. Similar extra dividend checks for forty merchandise credits were awarded senior salesmen on the same basis, and junior salesmen came in for thirty credits in the same way.

At the close of the contest "a juicy cash melon," amounting to \$2,025, was split among shareholders of all classes whose stocks had soared the highest. Only those whose shares for the entire contest had been quoted at 110 or higher were eligible to share in this special cash award.

The sales agent whose stock had the highest market value of all agents at the end of the contest won a \$250

slice of the melon and became "chairman of the board"; the leading sales agent in each of the five groups of sales agents received \$100 and became a "director"; the runner-up sales agent in each group received \$50 and became an "alternate director"; the leader among the senior salesmen received \$150 and became "president"; the leading shareholder in each of the eight groups of senior salesmen received \$50 and became a "director"; the runner-up in each senior group received \$25 and became an "alternate director"; the leader among the junior salesmen received \$75 and became "vice-president"; the leading shareholder in each of the five groups of

(Continued on page 317)



Unique Map Pictures Overseas Distribution of Hood Rubber

LETTERS from every foreign outlet of the Hood Rubber Company, Inc., of Watertown, Massachusetts, have been used to make its export distribution map more impressive. The map, similar to those used by most manufacturers who have extensive foreign distribution, has the regulation push tacks, showing distribution centers, but to each of these tacks is attached a piece of black twine, which extends to a letter from the point marked by the tack.

A map of the world was affixed to a large piece of cardboard, with ample

space on its borders to fasten letters. Envelopes were arranged in positions corresponding to the nearest parts of the map which they represent.

This novel display gives a comprehensive idea of both the number and location of the foreign outlets and also makes the map more easily read, since it is only necessary to follow the string from the tack on the map to the tack in the letter to discover the name of the outlet. It also eliminates the confusion arising from a group of tacks being so close together as to make the map illegible.

considered that every boulevard is an automobile salesroom and there is not the same necessity to obtain further information on an automobile that there would be on a new hot water heater, a training course or some other product not so commonly known. Salesrooms are conveniently located and if the person receiving a broadside or letter or pamphlet by mail desires more information he can much better satisfy that desire by visiting the nearest showroom than by writing for further particulars.

Again, automobile salesmen have such a reputation for persistency that many a prospect hesitates to send his name on a return post card and thereby bring salesmen to his office or home.

Some Unusual Touches

In developing our direct mail material, we are constantly seeking new ways to catch and hold the reader's eye. We believe, with the volume of material the postman delivers to offices and homes, that direct mail advertising must be attractive—particularly when it deals with an article in which style and appearance are important.

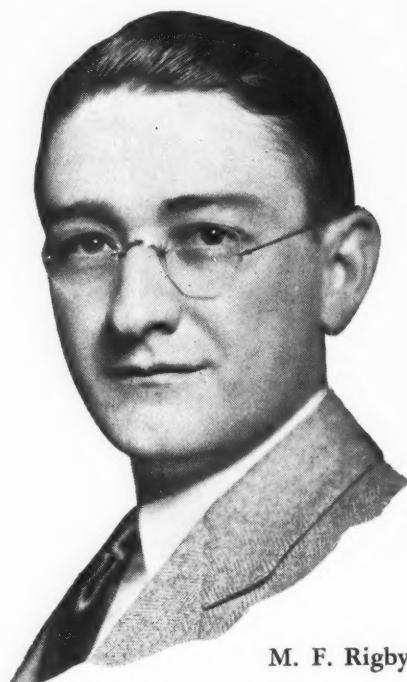
In designing our direct mail material, we keep before us constantly the market we are attempting to reach. If the piece is directed only to women, then all of the nicety of detail in respect to the selection of illustrations, type faces, paper stocks, colors, etc., must be carefully observed and in the writing of the text we must restrain any ambition to discuss dual carburetion and ball-bearing spring shackles because women generally are not mechanically inclined. They are more interested in overstuffed upholstery, the adjustability of the seats and steering column, and similar features.

We carry this thought through to an even greater degree in the development of direct mail material in our commercial car lines, which include busses, delivery cars, funeral cars and ambulances. When we talk to bakers, for example, reference to the width, height and length or the cubic capacity of our one-ton delivery car does not mean nearly so much as the statement that our delivery car body will accommodate so many loaves of bread. That is tangible to the baker prospect because if his present delivery car equipment will carry only three-fourths as many loaves, the capacity of our body would probably mean a saving in his delivery car requirements.

In my opinion, there is a great deal of money squandered today in direct mail which is flabby, flat and contains no element of interest either in the picture or text employed. We all receive

a great deal of material of this type.

We have always been proud of the campaign used to introduce our President model three years ago. In this, we decided to send a three-piece mailing campaign to a list composed of 72,000 presidents of organizations above a certain rating.



M. F. Rigby

What kind of direct mail material will women read? Studebaker's experience in planning direct advertising with a special appeal to the feminine portion of the mailing list is explained in the accompanying article.

To obtain the attention of executives in this classification, we had to do something which would be a departure from the conventional. On the front covers of these three pieces the recipient's name was imprinted in regular printer's type.

Such an operation involved extra expense. But when it was considered that we were doing this to create interest in an automobile costing \$2,000 and that we were attempting to secure the attention of some of the most important executives in the country, the expenditure was justified.

We followed the series of three imprinted folders with a fourth letter over the signature of our president, A. R. Erskine. A return post card was enclosed to be used in setting the time to take a demonstration, if our invitation was accepted. We received ninety-

three cards in return and several letters which proved our campaign had not gone to the wastebasket—at least, not without notice. One of these letters was from the president of the Rock Island Railroad, another from the president of The Burlington, and several from presidents of large banks in New York and Chicago. While the tangible results as reflected in our return cards were not sufficient to justify the cost of this campaign, the work it did in paving the way for personal calls of salesmen was of inestimable value.

The campaign I have just described was rather elaborate, involving four-color process work, individual imprints, etc. That you may not say any program can be made effective if enough money is put behind it, I want to submit an entirely different campaign conducted two years ago. This consisted of one piece on newspaper stock in two colors. Its development was suggested just after our Commander Model had established a new world record for endurance and speed by traveling 25,000 miles in less than 23,000 minutes.

A News Tie-up

The Associated Press and United Press sent a "flash" of this record to newspapers throughout the country. We examined the New York papers to see which publication had given the story the best position and headline display. We found the New York *World* was the paper. We ordered 150,000 copies of the page on which the story appeared printed on regular news stock and backed up. We then imprinted this clipping, with these words in facsimile handwriting:

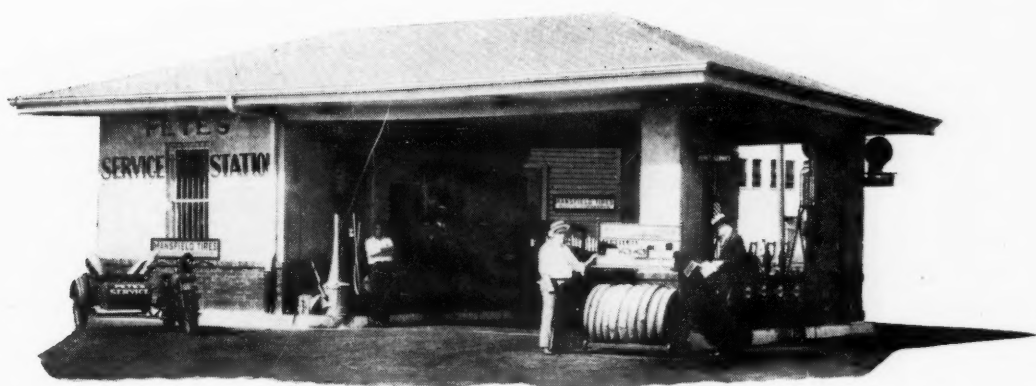
I drove one of these new Commanders while in New York. It's a great car. This record doesn't surprise me in the least. H. K.

The page was die-cut to have the appearance of being hastily cut out of the newspaper. We mailed these clippings in the envelopes of a New York City hotel to 150,000 names supplied by our dealers throughout the country.

Few people expect a circular to come in a hotel envelope, particularly addressed in longhand as our mailings were. Likewise, few people ignore a marked copy of a newspaper or magazine, even though they suspect the marking has some advertising tie-up. It's just the human trait of curiosity that impels us to read what somebody tells us to read.

Last year we had two mailings prepared to send to a quarter of a million women. We recognized in the development of these pieces that they

(Continued on page 316)



Two Rules for Multiplying Returns from Newspaper Advertising

BY RUEL McDANIEL

TWO essentials to the success of many newspaper advertising campaigns are: knowing exactly what is to be accomplished with the advertising and having some specific point to which to tie the campaign; and merchandising the advertising to those who sell the product featured. The recent experience of the Utah Oil Refining Company, with headquarters in Salt Lake City, ideally illustrates this statement.

This company is a local independent producer, distributing its products through subsidiary and independent jobbers to filling stations in the Intermountain territory, consisting of Utah, Idaho, Wyoming and Nevada. Without national reputation, the company in late years had found the competition of the various nationally known lubricating oils increasingly keen. Although the company had been producing Vico lubricating oils for nearly twenty years, it found that its local prestige alone was not overcoming the national advertising of other well-known brands of oils extensively merchandised locally.

Accordingly, the Utah Oil Refining Company decided to conduct an extensive advertising drive throughout its territory in an effort to establish further prestige and reputation for its oils. But having been in business for twenty years, producing the same brand of oils, the firm realized that in order to make the forthcoming campaign a success it would be desirable to have a new angle, a freshness to add zest to the copy.

The change in motor design as exemplified conspicuously in the new model cars this year provided a peg upon which to hang the campaign. Most new motors today are of much

The Utah Oil Refining Company, selling in a limited radius against heavily entrenched national competition, registered a 30 per cent increase in sales when they developed this localized campaign and carefully merchandised it to dealers before publication.

higher compression than those of former years. And a higher compression motor demands a heavier grade of lubricating oil.

Noting the change in motor design, the refining company previously had changed the viscosity of its oils to conform to the requirements of modern motors. This change gave the advertising department the feature of timeliness which it needed to add a twist of newness to the campaign. It provided an obvious reason for the sudden burst of advertising.

Thus the campaign started in April, featuring the new Vico motor oils. In three months, sale of the company's lubricating products increased more than 30 per cent over volume for the corresponding period last year.

"We believe that it was not so much the new oil that brought about the additional interest in our product as our manner of presenting it," declared A. A. Allen, advertising manager. "Neither was it mere newspaper space that induced the public to buy Vico oils in sufficient quantities to produce this increase in the business of a long-established company. An improvement or change in the product alone will not increase business, unless it is made known favorably to the pub-

lic; nor will mere advertising space create interest unless that space is timely and carries a new twist that will catch the interest of newspaper readers. It required the combined pulling power of a new idea and a presentation of the idea in a way to make it timely, to create real interest in the products."

The company alternated between full pages and half-pages, one advertisement appearing each week in daily papers throughout the four states where the firm had distribution.

Actual copy was brief. Extensive illustration focused attention upon the advertisement. Large-type headlines aimed at attention; and large cuts near the bottom of the space emphasized the "new" angle.

"This Guarantee is Stronger than a Thousand Arguments" was a typical heading for a full-page advertisement. In the center of the illustrated page was a nearly square black space some seven inches wide and eight inches long. Cut-out type emphasized the guarantee, thus:

"Have your crankcase drained, and then filled with the New Vico, of the proper grade for your car.

"Then after driving 1,000 miles—maintaining the oil level with the New Vico—if you find that you have not

had better performance from your car, with less oil consumption than has been the case with any other oil of similar body you have ever used, the purchase price of the New Vico will be refunded to you by your dealer."

To the lower right of this square was the following statement, in large type: "This guarantee is made to prove to you that the New Vico is the best motor oil your money can buy." And that was all the text the whole page contained. Brief, simple and direct. That it was easily and liberally read was proven by the results it produced.

"No advertiser has any reason to expect newspaper copy, or any other form of advertising for that matter, to do the whole selling job," Mr. Allen said. "It is a unit in the sales program and the rest of the program must run along with the advertising in order for either effort to produce maximum results.

Merchandising the Advertising

"A part of this coordinated sales program is merchandising the advertising to those who have a part in selling the advertised products. Advertising may create interest and bring motorists into the filling station, but unless the filling station operators and their men are sold on the advertising sufficiently for them to cooperate in featuring the products in the campaign one may expect mediocre results at best."

Well in advance of publication, reprints of each advertisement were delivered to jobbers throughout the territory. Representatives of the company talked to jobbers at length in explanation of what the advertising would do for them in increased sales, provided they would do their share in capitalizing the advertising to the utmost. A part of their share in the job, they were told, was to take the supply of each advertisement as delivered to them, and post them in their own filling stations and distribute them to independent dealers, with instructions as to their use.

The company made it still easier for station operators to use the advertisements by erecting bulletin boards on the wall of each station in a position where the board can be seen readily by the average drive-in customer. The board is made to hold exactly a full-size reprint of a page advertisement.

By selling jobbers on the value of using these reprints, the company found the jobbers anxious to sell their dealers and the managers of their own stations on the use of the advertising. The use of the reprints not only kept the company's products prominently in the minds of dealers, many of whom

handle other brands, but it provided that point-of-contact advertising which is so essential to successful selling of advertised products. Seeing the reprint of the current advertisement at the filling station, the motorist was reminded of having read the advertisement or another on the same subject, and the result is a double reminder to try the oil.

Contemplating that the newspaper campaign would create many questions in the minds of the average motorist in regard to the new Vico, the company prepared a complete chart, listing all makes of automobiles and trucks, and showing opposite each the grade of oil it should use. This chart was exhaustive in that it made recommendations not only for all makes and models of cars but all ages of these makes as well, leaving nothing to guesswork as to the proper oil for any car.

The chart gave, in addition, brief facts regarding the new Vico. Copies of this, in the form of a folder, were supplied in quantities to every dealer, through the company's jobbers. Station attendants were instructed exactly

in the manner of using the folders.

"You will have many motorists ask you a lot of particulars about this oil," the attendants were told. "In order to know how to answer, read this booklet through carefully; but as a rule, you will be too busy to talk at length about it. So, instead of taking a lot of your time telling a customer all about it, hand him a copy of this folder and point out certain pertinent paragraphs and the chart, and suggest that he study them."

"We follow this procedure," Mr. Allen explained, "because we have found that by inducing the motorist to read the booklet himself each man gets the same explanation and idea about the oil, whereas if each filling station man attempted to explain it, even though he may know all about it, there would be many different versions, which would result in a certain amount of confusion in the minds of car owners. We want the attendant to know all about the oil; but we find it more satisfactory for him to give out the book, rather than go into minute details about the produce with the customer."

Packaging Idea Launches National Business in Five-Cent Food Units



Shy Rosen

THE premise that consumers like to see what they buy and desire products in convenient packages has developed a national business for the Sun Goods Corporation, of

Chicago, distributors of a line of eleven food specialties.

Pumpernickel, an old-fashioned product, blazed the trail for the line, where these new ideas in merchandising were first used. It was the first of the Sun Goods products to be packaged, being wrapped in cellophane. Such success attended this first venture in packaging that Shy Rosen, president of the company, planned to package other products which had formerly been distributed in bulk form.

Another food, as homely as pumpernickel, was next merchandised in cellophane packages. It was prunes. Raisins and nuts were then packaged, and a display rack planned for dealers' counters.

Mr. Rosen experimented exhaus-

tively with wax molds and various packages until he finally hit upon the right one for his products. He sought a package which would not only be attractive, but would also be convenient.

The result was the present flat package, with its open face. A feature of the package is a flap, at the top edge of the wrapper. It permits the consumer to open and close the package without danger of spilling its contents.

A stiff cardboard back gives the package permanent shape and body and prevents crushing. On the back of the package is a picture of the sun, under which is the company slogan, "Our Factory is 92,000,000 Miles Away."

Packard Starts Production on Airplane Diesel Engine

The Packard Motor Car Company has started commercial production of its aviation Diesel engine, recently tried out, and expects soon to be manufacturing 500 engines monthly.

The company will promote the engine in the near future—not only for aviation purposes but for ships and eventually for automobiles.



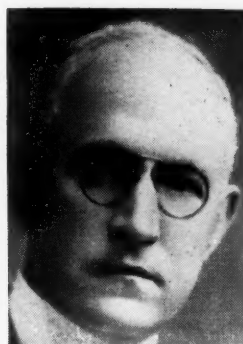
John Benson



O. C. Harn



Bennett Chapple



Walter A. Strong



C. C. Younggreen

International Board Supplants I. A. A.; Berlin Meeting Urges World Peace

SALES MANAGEMENT Headquarters, International Advertising Convention, Berlin, August 15.—

Advertising as an instrument for helping to bring about world peace and world prosperity was emphasized by speakers of a dozen nations addressing 3,000 delegates at the twenty-fifth annual convention of the International Advertising Association, held in Berlin this week.

A resolution for world peace presented by Lord Riddell, leader of the British delegation, was formally adopted by the convention on Wednesday.

The most important business action taken by the convention was the dissolution of the International Advertising Association, as it is now constituted, in favor of an international board in which representatives of the Advertising Federation of America, formed in Chicago last May, the British Advertising Association and the Continental Advertising Association will have equal membership. C. King Woodbridge of the New York financial house of Prince & Whitely, a former president of the association, was elected chairman of the international board. Walter A. Strong of Chicago, chairman, and C. C. Younggreen of Milwaukee, president, will continue to act as officers exclusively of the American organization.

A speech which was received with probably the greatest enthusiasm by an unusually enthusiastic convention was that of Edward A. Filene, of William Filene's sons store, Boston.

"Business men must appreciate that if they intend to increase the development of export trade," Mr. Filene pointed out, "They must have a guarantee of lasting peace."

The impression gained at the general sessions that advertising was to be

the principal savior of humanity was ridiculed a little by speakers at the Sales Management department at which Mr. Woodbridge presided, and which was addressed by Thomas J. Watson, president of International Business Machines Corporation, and J. R. Brundage, vice-president of White & Wyckoff, Manufacturing Company, from the United States.

At a banquet formally launching the convention Sunday night, Jacob Gould Schurman, American ambassador at Berlin, described the place for the advertiser in the field of international relations. "Here the problem is nothing more nor less than the interpretation of the nations of the world to one another," he said. "This problem has not yet been solved, or has been solved only very inadequately by diplomatists, even with the help of the journalists. Now if the advertisers can beat us at our own job we shall most heartily welcome them into the arena."

As a feature of "International Day," on Monday, Lord Riddell, leader of the British delegation, took occasion to condemn the American policies of high tariff and the Federal Reserve Board's high money rates as "one of the greatest present dangers to world economic prosperity and friendship."

Another warning was issued by Mr. Strong, who in addition to his duties as chairman of the association, is publisher of the *Chicago Daily News*:

"We Americans are beginning to realize that we cannot burden the rest of the world with our surplus prosperity, as represented in our standard of living. We cannot expect nations outside of our boundaries to support permanently a standard of living so far higher than their own.

"We recognize that the standard of

living costs in the United States have a very definite relation to the standard of living in other strongholds of civilization. If one accepts this theory, there is no upward limit to the standards of living throughout the world, except a fair balance in human existence. Tariff walls, cartels and other political mechanisms which tend to perpetuate differences in standards of living come down as standards of living are equalized."

A plea to the business men of Europe to save their scenery from being wiped out by billboards was made to the convention Tuesday by Herbert S. Houston, of New York, former president of the I.A.A., who presided at a group meeting devoted to "Ethics and Practice."

"The fundamental difference between the American and German method of housekeeping," said Frau Hildegard Margis, president German Housewives' Association, "is that in America material is cheap and labor expensive. It's the other way in Germany, and the inevitable result is that the time factor will not play such a decisive part because, with less costly labor our garments, utensils and furniture are better taken care of, whereas in the United States time is money and therefore new purchases are more frequent in American households than in Germany."

The need for raising the world's standards of living and the work which advertising can do to bring about this end was analyzed by Sir Ernest Benn, chairman of Benn Brothers, Ltd., of London. The standard of living, Sir Ernest said, is governed by the amount of real wealth.

On the following pages are printed excerpts of some of the most important addresses of the convention.

Outlines Hercules Plan for Selling in Europe

By P. W. Meyeringh, managing director, N. V. Hercules Powder Company, Rotterdam, Holland

I SHALL start with "what we have learned *about selling* in Europe," in order to come automatically (for it is impossible to strictly separate the two subjects) to the other point, "what we have learned *about advertising* in Europe."

When several years ago our company decided that for certain of their products Europe appeared to be a desirable market and that it was necessary to find export outlets for our naval stores (rosin, turpentine and pine oil), it was realized that to start with the best possible chance for success, a survey should be made of each country.

We soon realized that, although some large consumers may like the idea of importing commodities directly from the United States, for the average consumer as well as for practical business considerations it was necessary to appoint distributors in each country, with a number of sub-distributors for the larger countries.

In most instances the right type of distributor was found by interviewing the larger consumers and ascertaining which firm would be acceptable to them as a distributor for our company.



James D. Mooney, General Motors Export Corporation, who spoke at one of the general sessions.

Very helpful assistance was obtained from the American consuls and trade commissioners, who are always glad to supply information to business people. I cannot stress too much the importance of this world-wide organization. American firms (and many firms abroad) interested in foreign business should support the Department of Commerce as much as possible in their gigantic task.

Our distributors, as a rule, are either dealers or agents. They strictly adhere to our policy on prices and terms, but they finance the transactions themselves and run the credit risks. Therefore, although in a sense they are dealers, there is a decided tendency towards an agency relationship as they have exclusive rights for a certain territory and adhere to a fixed price policy.

Having in mind the time required for execution of orders from the United States we provided several distributors with stocks of merchandise on consignment; and at the same time placed comparatively large stocks in the hands of several forwarding agents in Europe.

After appointing our distributors, our next step was to give them the technical information they needed in their contact with the trade.

Then came the organization of our statistical division, not only from a point of view of sales, but also from the technical side. We gradually built up a statistical knowledge of the importance of actual and potential customers for our products in Europe, accompanied by a history of our technical development work with each of them.

We direct our sales in Europe from Rotterdam, Holland, not only because Rotterdam is the natural port of entry for Holland and the very important German Rhine Territory, and is one of the largest ports of the Continent, but also because Rotterdam is very centrally situated (overnight our men can reach Berlin, Hamburg, Paris, London, etc.).

Now we come to our advertising campaigns. Our principal export products in the beginning were naval stores and for these products advertising is rather complicated, because we have to reach a large number of different industries and individuals. We reach the consumers through the following mediums:

1. Advertisements in the principal trade papers such as chemical journals, magazines reaching the paper manufacturers, the paint and varnish industry, painters, architects, hardware stores, etc.

2. Direct mail to all industries

reached by the trade papers to support our advertisements. Letters should as much as possible have an individual appearance. The effect of circulars, in my opinion, is as a rule rather poor.

3. Booklets describing the products, with full details regarding their chemical properties, analyses, etc.

4. Talks before conventions in each industry, supported by moving pictures showing the process of manufacture. Moving pictures are a very good advertising medium in Europe, especially if apart from their business value they have artistic merit.

5. *Calendars. I have found our calendars as put out in America do not appeal in some countries in Europe, especially not in Germany. On several occasions we found it necessary to put out special calendars to suit the German market.

6. Technical and commercial personal follow-up work. This is vital and therefore I believe that a good



Prof. H. K. Frenzel, president, The Union of German Graphic Artists.

central organization should be supplemented by a sufficient number of sub-distributors.

When products are sold only to a certain number of specialized customers who cannot be reached by any trade paper, the problem is different. In such instances I believe that, apart from regular communication by mail, personal visits at regular intervals are required perhaps more than they are in the United States. In general, contact in Europe is not so easily established as in America and therefore personal intimate relations can be obtained only by constant visits.

Now with regard to the actual contents of the advertising material, it is

necessary, as already stated, to study the customs and habits and the individual ideas of each country. Many advertisers believe that American advertising can be brought to Europe and used there almost without change. I venture to disagree with them.

Mr. Wrigley, the well-known manufacturer, when given an interview with Dr. Kaufmann (*Reklame*, November,



V. Edward Borges, president, Vincent Edwards & Company, New York, who spoke at the retail departmental session.

1927), said his experience was that advertising could be conducted on the same basis in all countries, and I have no doubt that for his particular product he is right. Chewing gum is a product which was practically unknown outside America before it was exported. If, however, American manufacturers want to sell products in Europe which are already supplied to European consumers by other manufacturers outside America, it is logical to approach these consumers by following a plan which has been carefully laid out *after studying their ideas*.

Younggreen Summarizes Advertising "Formula"

By C. C. Younggreen, president, International Advertising Association.

OUR leaders have given unselfishly of their time and thought and they have developed a formula which bids fair to satisfy the increasingly intricate conditions of business and to afford

a working method for solving at least some of its more pressing problems.

That formula is still to be simplified; it is still to be set forth that it can be accepted with clear understanding by the business world. But it is a start; it opens the door to our own greater fields of service; the time is opportune for its presentation; and I am grateful for the distinction of being the mouthpiece by which this message is announced.

At this time it will be sufficient to present the fundamental equations of the formula. There are but five of them—but on those five rests the entire structure of our advertising profession and its future. They are beacons by which our path in the new age which is upon us will be illuminated.

The first of these is:

Continuity Is Paramount: To a manufacturer that is axiomatic; mass production is its offspring. To a distributor it is becoming even more apparent. To the consumer, on whom both manufacturer and distributor depend for their very existence, it has no particular meaning as yet, for he sees but the last link in the chain.

And the development of this equation will cover the growing appreciation of business that the sale, which is held to be the ultimate reason for advertising, depends on factors which go all the way back and all the way forward; and that advertising must logically parallel all of those steps.

Today advertising is too generally held as a first aid to injured business. It has been called in when the house caught fire; it is still to be called in to sit in council with the architect and the contractor and to help plan the structure so that it will be fireproof.

Publicity Parallels Production: This is the second of the equations and closely follows the first. It comes from that school of economics which holds that whatever changes an article is a part of production, whether this change be of nature, form, application, place or time. In this sense, the dealer who localizes the article for consumption is a producer.

The utilization of this equation more closely indicates the common interest that is held by everyone who in any way whatsoever has to do with the creation of the article or in placing it in the destroying hands of the consumer.

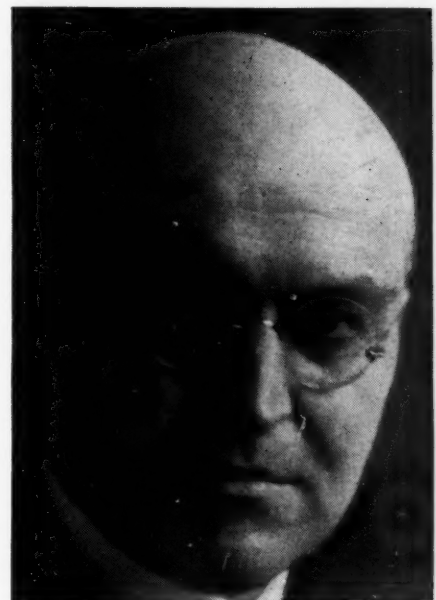
Advertising is still to be accepted as a power which moves concurrently with the industrial line of continuity rather than a power to be directed solely upon one element of that continuity.

The Whole Is Greater Than the

Sum of all Its Parts: This paradoxical statement, the third of the equations, is the very lifeblood of Organized Advertising.

When we add advertising force, in any unit or combination of units of application, to a sales effort or distribution problem, we find, on analyzing the procedure, that we have not merely a difference in intensity, in magnitude, but something new; and we also become aware that the simultaneity we thought of is subordinate to the requisite parallelism with the material movements of the goods with which we are dealing. In other words, we find here a continuity which must be considered as moving in line with the continuity of production and distribution.

In production we have raw materials and tools and buildings and designs and methods and labor—each one a unit; yet no one claims that production is a mere addition of those



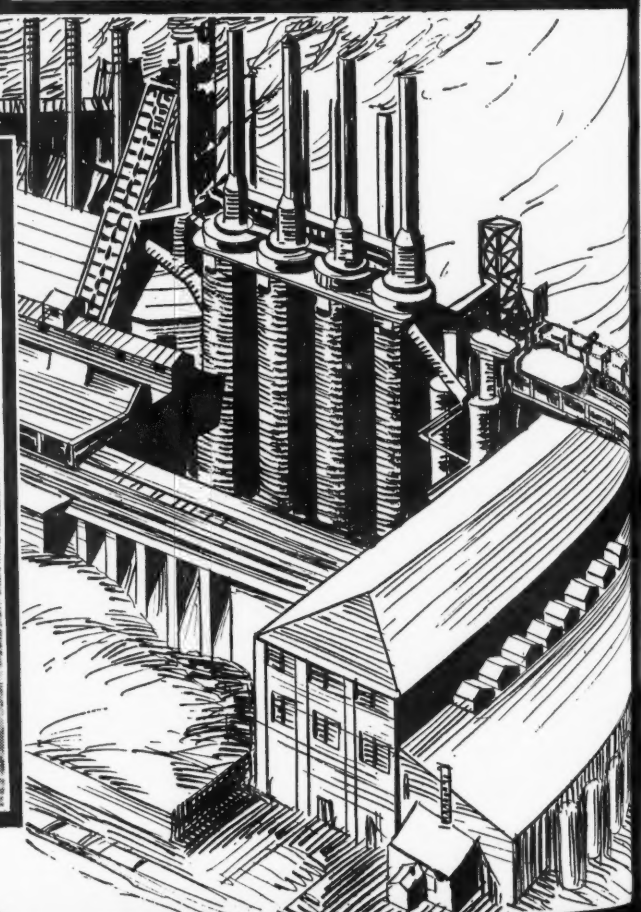
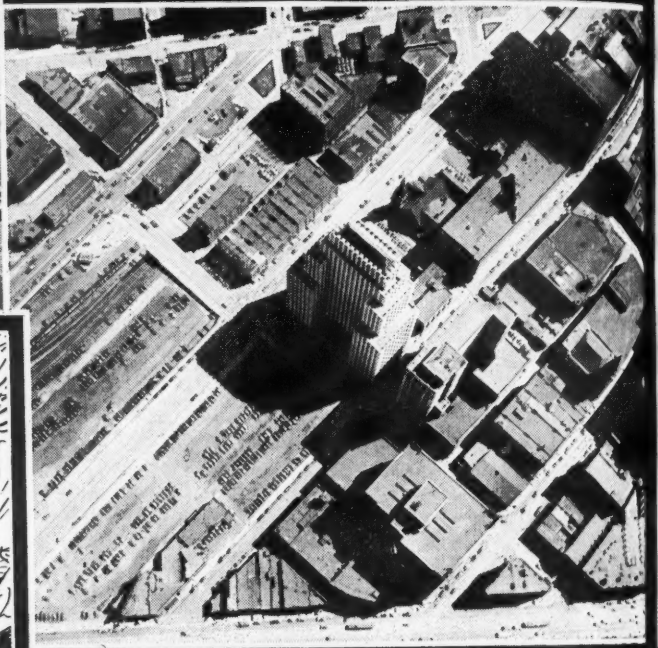
Dr. Knapp, general secretary of the World's Committee.

units. In distribution we have transportation and storage and credit and piece deliveries—each one a unit; yet, while here the sum of all approaches more closely to the whole, still there is no claim that these are equivalent as constituent parts.

Without further discussion of these details, it seems, if not demonstrably true today, that there are at least good grounds for accepting the concept that in this new "advertising" we have, not merely a number of unit forces, nor even merely a group of combination of forces, but a new force, greater than the sum of all its parts, applicable as a unit as well as a simul-



THERE'S NO PITTSBURGH



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NOTHING TIMID ABOUT PITTSBURGH PROSPERITY

Genuine, measurable prosperity rides on the crest of record business in the Metropolitan Pittsburgh district.

Workshop and product of business, Metropolitan Pittsburgh is the home of a people of vigor, vision, courage and the will to do. Enthusiastically watching one of the greatest municipal expansions of a dynamic age . . . with inherent confidence in tomorrow's vision of an even greater industrial capital . . . its people are reading and responding to modern advertising of products they need to keep pace with modernity.

Everything moves in new tempo today in Metropolitan Pittsburgh. A people 74.5 per cent native white are making per capita retail purchases at the rate of \$436 . . . well in advance of the Pennsylvania average of \$324. The volume of retail mercantile business in 1927 was \$558,970,600 . . . of wholesale mercantile business, \$393,664,000. Vividly reflecting prosperous conditions are the daily bank clearings now exceeding \$30,000,000 . . . and bank deposits exceeding a billion and a half dollars.

Pittsburgh district payrolls in May totaled \$39,000,000, an increase of \$6,000,000 when compared with the same month last year. On the basis of estimations that workers spend at least 86 per cent of their earnings, Metropolitan Pittsburgh workers are spending at least \$33,540,000 a month for things that make life more enjoyable.

Look at the Federal Reserve Bank report for May . . . Pittsburgh stores report sales 4.4 per cent larger

than the same month last year . . . and note particularly that only 7.1 per cent of Pittsburgh sales were installment sales.

The Press Has the Habit of Producing Results

There's nothing timid about Metropolitan Pittsburgh prosperity. Just as there's no change in its people's 45-year habit of using The Press as their shopping guide. It's just as easy as it ever was to determine what advertising effort has accomplished in Pittsburgh . . . providing the advertiser follows the lead of experienced merchandisers and places his major advertising schedules in The Press, Pittsburgh's NEWSpaper of Character with The Habit of Producing Results.

IN THE GOLDEN AREA

The average industrial wage in the city of Pittsburgh is now 13 per cent higher than the national average, while the average for Metropolitan Pittsburgh is exceeded by only one other city in the United States.



The Pittsburgh Press

A SCRIPPS-HOWARD
NEWSPAPER

Member Audit Bureau of Circulations
... and of the United Press and
of Media Records, Inc.



NATIONAL ADVERTISING
DEPARTMENTS

New York • Chicago • Detroit
Philadelphia • Los Angeles • Dallas
San Francisco • Atlanta • Buffalo



Blank & Stoller

H. K. McCann, president H. K. McCann Company, New York City.

taneous or sequential operation of several units, and which, as such, is entitled to be accorded its proper place in the family of economic conditions and functions.

We must, however, differentiate between the existence and the application of this new force, and this brings us to the fourth basic equation of our formula:

Advertising Must Be of the Place of Sale: Strictly speaking, there can be no such thing, even in the abstract, as universalism—internationalism, if you please—of advertising, because of the fundamental fact that advertising seeks results which are dependent upon individual conditions.

No two individuals exhibit identical emotional reactions even to identical forces under identical conditions. And full consideration must be given to this variation in any discussion of the commercial application of advertising; for sales, the object of commercial advertising, are not made to the mass, but to the individual, to the unit.

We speak of using a certain medium or a certain copy style or type of appeal, to influence a certain class of potential buyers. But that is really *a posteriori* reasoning. True, it may be that, through this medium or copy or appeal, the advertiser will, by a unit act, secure an individual response to an influence which has an effect upon all in that group, but such an act by the advertiser comes actually within economics, the applications, of advertising.

This is but one of the power factors of advertising and limited to the function of visualization. All of the other factors are subject to the same variations, for which we can, for the purpose of identification, give a fairly general theoretical field to the human emotions, they become so modified by the influences of heredity, tradition and environment, and they become so distinctly individual through actual personal experiences, that the value of class or mass must be looked on, if not with suspicion, at least with great care.

These modifications, through their dividing action, produce a large number of classifications, directly proportional in quantity and intensity with the development of the environmental influence—or, in other words, with the advance of civilization in the sense of the multiplicity of mechanical aids to living.

Many other modifiers enter the picture here, but mention of a few of the more influential will be sufficient.

Literacy is outstanding—joined with the formed habit of reading the public press in its various forms.

Communication is important—with its allies of time and availability.

Credence placed by the consumer in advertising itself is of prime importance; Truth in Advertising; faith in the advertiser.

Purchasing power of the individual and the community is essential to the sale—and this varies perhaps more than any other factor.

Purchasing methods—cash, credit, partial payment—this carries back to the first original handler of the raw materials.

Note that I have considered only such factors as are dominant in my own country—the United States of America. When we consider the enormous variations between these conditions as they exist in America and in other countries and between those other countries, we may well pause to consider the extent to which we dare carry the thought of internationalism in the application of advertising.

I would not impose too far on your patience, but I am constrained to close with a few words on the fifth of the equations of our formula—that equation which may perchance give us a beacon by which we may light our path for tomorrow.

Education Imposes Obligations: Think for a moment of the power we wield. Its very objective and reason for being is to influence the minds of the people to act in accordance with our wishes; to make them obey our suggestions.

We have taken upon us the task of guiding the human race—or at least that portion which we can at present effectively reach—in all of its actions. We guide the people in their eating and in their drinking; in their business and in their recreations; in their joys and their games and their travel. We show them what to wear and what to see and what to hear. There is not a single human activity in which we do not enter in the guise of a mentor.

We have assumed the role of guide, philosopher and directing friend to the world; we have taken on us a jurisdiction far beyond that accorded or admitted to any other human individual or organization. And, decri the statement if you will, hide it under the cloak of commercialism to the best of your ability, such an assumption of authority inevitably carries with it the obligation of using that power and that authority for the greater welfare of man.

Interprets Newspaper Attitude on Censorship

By Louis Wiley, *The New York Times*, New York City

ADVERTISING censorship primarily is for the protection of the reader. The confidence of intelligent readers is the most valuable asset of a publisher. The greater the confidence he can establish among intelligent persons, the more worthwhile is space in his columns.



Grosvenor M. Jones, chief of the Finance Division, Department of Commerce.

In making up the financial statement of a newspaper, the item of confidence represents tangible, definite worth.

Censorship is not advocated merely to increase the value of advertising space and the rates charged for it. The business value of censored advertising columns is mentioned merely to reinforce the fundamental truth that censorship is the duty of the publisher to his readers. It is his obligation to do his utmost to see that his readers are not defrauded or misled. A newspaper or magazine should not have a high standard of character in its news and editorial columns and a low standard, or none at all, in its advertising. It is difficult to see how a publisher can reasonably expect his news to be believed and trusted if he accepts no responsibility for the advertisements in the columns adjacent. He publishes both news and advertising, and thus establishes his responsibility for both.



G. Russell Chapman, one of England's delegates.

Censorship does not imply a guarantee of advertising. No publisher can or should accept legal liability for all statements made in advertising. It is an impossible task for any publication to verify every statement in announcements concerning merchandise or services, and no advertiser should be permitted to shift to the publisher the financial responsibility for the statements the advertiser makes in his copy. The publisher can and should, however, see that the only firms ad-

mitted to his columns are the kind which do guarantee their statements. That is placing the guarantee upon the shoulders where it belongs.

Advertising as a whole suffers from the sins of the few. The fact that reputable newspapers and other publications establish careful censorship of their columns is not an indictment of advertising any more than our police force is proof that every citizen is a criminal. Censorship is instead evidence that the publisher believes that the great body of advertisers are honest and law-abiding, and that they are entitled to protection from the competition of the unscrupulous few.

Shows Why International Distribution Is Changing

By J. D. Mooney, General Motors Export Corporation, New York City

THE peace terms, the debt settlements, and the reparation generally, have been in the hands of diplomats who often lacked the mellowness and the tolerance of the men in arms. Although the world need and the general spirit of the masses has been for forgiveness of aggressions and debts—a spirit of “let’s forget about it as quickly as we can and get on with making our homes a little happier”—the peace terms have been characterized by just the opposite temper.

Please do not accuse me at this moment of sentimentalism, of joining too vigorously in the illusions of people who believe that we can have peace eternally in the world. I am quite willing to leave unchallenged the claim of the man who believes that we shall have another world war at some time, say some twenty or thirty years from now; but meantime, I say with all the emphasis at my command, “Let us get on now with the work that is right in front of us now,—the work of raising present standards of living.”

We must take such steps as we can to promote international distribution. We must ask our friends among the governmental authorities to help us in this, because the various nations must change considerably in their attitudes on exchanging goods with one another. False economic barriers of every kind must be removed.

The whole physical background for international distribution is changing very rapidly; it has become entirely different in character during the past few years. I refer particularly to the remarkable changes that have been taking place at a speed that astounds the imagination, in the two elements that

are so important to the projection of any distribution system—I mean communication and transportation.

The various countries of the world have become connected with one another in a way that remarkably alters



Mrs. Christine Frederick, speaker at one of the general sessions.

the whole complexion of international distribution. A country that is ten thousand miles away from your own country today is not distant from you, as it was just a few years ago. This miracle has come to pass through modern methods of communication, the cable, the radio, the telephone, and through improved methods of transportation, faster steamships, railroads, motor vehicles, and aeroplanes. The general speeding up of the intercommunication of ideas, and along with it the quickening of the movement of goods from one place to another, have actually made neighbors of the most distant countries.

I beg of you advertising men to ponder on the significance of this situation, because it places before you a much broader horizon than has ever existed before for men engaged in commerce or industry. Today the whole world is at your doorstep, whether you live in Berlin or New York or London or Stockholm or Buenos Aires or Shanghai.

The general physical background for international distribution has assumed a character during the past few years that has never existed in the world before. Most of you are thoroughly familiar with the technique of mass distribution within the boundaries of a country; that is, domestic distribution. You know that advertis-

ing has made it possible to create mass distribution schemes; you know that without this mass distribution it would be absolutely impossible to have mass production. The two things go hand in hand. But today I hope that you advertising men will begin to catch the vision of the possibilities of projecting mass distribution throughout the world.

To sum up, therefore, we have instruments available for the promotion of international trade that can, in turn, solve many of the economic problems of the world. These most important instruments are, easier communication throughout the world, quicker transportation, and finally a highly developed technique in mass distribution, in which advertising plays so important a part.

There is no more reason why we economists should accept the inevitability of some of our present economic ills and misery, than for the scientist to have accepted the inevitability of smallpox, yellow fever or bubonic plague. Let us make the printed word useful in lifting the world out of its economic morass. We need an economic renaissance.

Advertising Has Stabilizing Effect, Says Sisson

By Francis H. Sisson, vice-president,
Guaranty Trust Company,
New York City

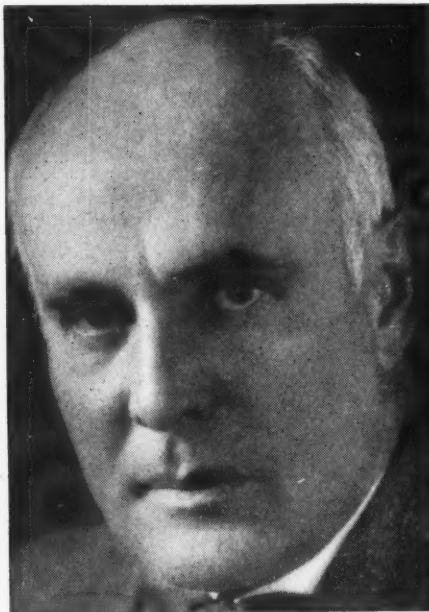
IN any survey of economic developments during the last decade—or, for that matter, during the first quarter of the twentieth century—one fact must stand out above all others; namely, the enormous increase in business activity, in wealth production and wealth accumulation per capita. This movement has naturally been most apparent in the United States, partly because of the exceptionally favorable economic environment in America and partly because of the comparative immunity of the United States from the losses and disorganizing effects of the World War. America, however, represents merely a conspicuous example of a world-wide trend, which will doubtless be accelerated in other countries as the effects of the war gradually disappear.

The first requisite to a sustained advance in general economic welfare such as we have witnessed in recent years is a modification of our distributive system to permit consumption to expand along with output. We have achieved such an advance because our employers have been converted to the gospel of high wages and because our

industrial workers have been converted to the gospel of large output. It has taken many years of painful experience to learn that the only way for industry to enjoy a consistently active market for its products is to provide its workers with the purchasing power with which to buy them, and that the only way for workers to improve their earning power is by making more goods instead of making more work.

Thus we have accomplished two great objects. The first was to increase our producing power. The second—which was by no means the same as the first—was to increase our consuming power in a corresponding degree.

It is in a proper balance between production, consumption and saving that we must strive for sustained progress. We shall probably never achieve a perfect balance, but we are certainly approximating it more closely than we



Francis H. Sisson, vice-president of the Guaranty Trust Company, New York City.

ever did before. And it is by helping to maintain this balance, this stabilization of the various elements that combine to determine the true degree of our prosperity, that advertising makes perhaps its greatest contribution to economic welfare.

From the point of view of the individual business man or business enterprise, advertising needs no defense. Its money-making possibilities have been demonstrated so often and so conclusively that its use has become universal. In its early days it was the weapon with which the exceptionally progressive and enterprising concern gained the supremacy over its competitors. Today it is not only that; it is also the means whereby the



Joseph H. Appel of John Wanamaker, who discussed retail selling problems at the Berlin meeting.

average enterprise keeps itself in business at all.

But in the broad analysis the value of advertising is not quite so obvious. On its face, it represents an enormous expenditure of human effort and of natural resources, without any directly resulting increase in the aggregate amount of the commodities and services available for consumption. If one enterprise expands its business by advertising, is it not merely taking the business away from its competitors? And if so, where is the social gain? Is not the vast amount of effort expended in this struggle simply wasted, and would not society at large be better off if all advertising were prohibited by law? To say that advertising is necessary to the existence of practically every business concern under present conditions does not prove that it is necessary to the existence of business as a whole. Thus runs the usual criticism, and to this day there are many careful students of business who are sincerely convinced that advertising is one of the most vicious forms of social parasitism.

Yet an examination of the underlying currents in present-day economic life should be sufficient to show that advertising has played an indispensable part in our recent development—that our almost revolutionary progress would have been impossible without it. It has already been pointed out that, in order to provide a market for a rapidly-expanding output of consumers' goods, industry must provide the consumer with the means to take

the goods off the market and must also encourage him to do so. The consumer's desire for the good things of life must be stimulated. No doubt, almost all consumers desire, and have always desired things they cannot afford to buy. But such desires are, for the most part, no more than vague aspirations, by no means all of which are ready to be transformed into effective demand with a sudden increase in incomes. Standards of living can keep pace with swiftly expanding purchasing power only through education.

A further stabilizing effect of advertising becomes apparent when we consider the flexibility of consumers' demand. The unsatisfied wants of the average man cannot be classified on a scale of intensity, even by himself. Conflicting desires throng and clash in his mind. Advertising directs those desires into definite channels, so that

the casual conversation of individuals? New devices for the comfort, amusement, and improvement of men are being invented every day, none of which can become of any use without the aid of the business man who undertakes to produce and market them. The most promising of these inventions are picked out, and plans are made for their manufacture. Without the cooperation of the advertiser, very few of them would ever find their way into the channels of trade; for business men would not face the prospect of years of helpless obscurity in competition with old-established commodities while their new products were slowly gaining public recognition.

But advertising does more than merely promote the balance between output and demand. Indirectly, it facilitates the mass production which, through its lowering of costs, has probably been as influential as higher wages in bringing new comforts within the financial reach of the great body of the population. Advertising is one of the most powerful agencies of natural selection in the business world. In the language of biology, it promotes the survival of the fittest in the struggle for existence. It is a powerful weapon for the manufacturer who turns out the best product, or who turns out the same product at the lowest price. The efficient producer quickly gets the bulk of the trade, expands his plant, becomes an industrial leader, and by his very growth is enabled to reduce his costs and his prices still further. It is self-evident, besides being amply demonstrated by experience, that advertising accelerates the natural process whereby the world's productive activity is becoming centralized in the hands of those who are best equipped to carry it on.

In a similar way, advertising is gradually raising the standard of business ethics. Publicity campaigns organized on the vast scale that prevails

today would be very risky undertakings indeed if the products advertised were not worthy of patronage. A present-day nation-wide or world-wide advertising campaign is a strong guarantee of the belief of the producer in the merit of his product. At great expense, each concern invites inspection by bringing its wares into the open and displaying them before the public in competition with the rest of the world. Any such procedure would almost certainly result in disaster if the goods were not deserving of the support solicited for them. Few business enterprises could afford to hazard such vast sums on the success of misrepresentation.

The consumer also owes a great debt to the advertiser, in that he is enabled to utilize his money and his time to better advantage than ever before. It is hardly too much to say that modern advertising matter contains a liberal education for him who will read it consistently and intelligently. It will teach him a great deal about the world he lives in that he could learn in no other way, with special emphasis on the possible methods by which he can improve his own way of living.

These main functions of the advertiser in the modern business world may be summed up by saying that advertising is a form of direct commercial rivalry under the very eyes of the consumer, in which the natural operation of competition is accelerated and its advantages are correspondingly enhanced.

Discusses Sales Problems in Retail Field

By Joseph H. Appel, John Wanamaker, New York City

TODAY in America the retail field is becoming complex. Some cooperative stores exist, but they do less than a half per cent of the total business. Company stores, operated by industrial concerns for their employees, do about two per cent. House-to-house selling and canvassing, while growing, accounts for only about two per cent. But chain stores are now doing as much business as the department stores—each group totaling about 16 per cent of the retail trade—and some of the large mail order houses, which class formerly did under four per cent, are now establishing local stores in hundreds of cities and are greatly increasing their volume—Sears Roebuck & Co. have 247 stores, with 51 additional announced; and Montgomery Ward & Co. have 384 stores in oper-



Bachrach Photo

Bernard Lichtenberg, Alexander Hamilton Institute, speaker at one of the general sessions.

they become translated into a demand for the goods that are seeking a market. Not only by stimulating demand, but by shaping it, does advertising promote the balance between output and consumption.

Such an influence is especially marked at a time when the nature of goods, as well as their quantity, is changing rapidly. This condition has been evident in the last decade. Who can imagine the expansion of the radio business, for example, from an interesting invention to a vast industry within a few years, if there had been no means of publicity available except



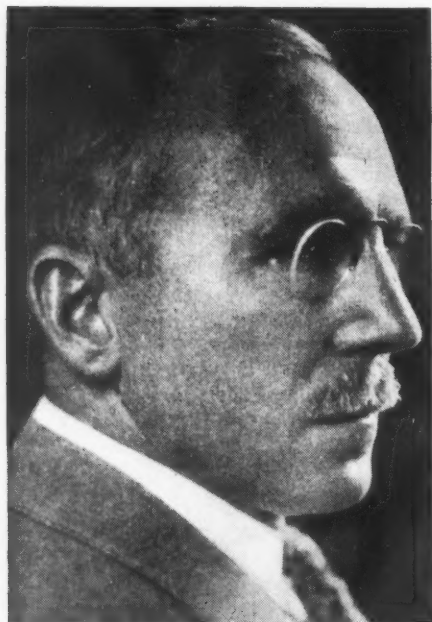
P. & A. Photo

Dr. Hugo Echener, who presided at the Wednesday meetings.

ation, and expect to have 500 by January, 1930.

The small independent merchant is facing a serious situation, although he continues to do about 60 per cent of the country's retail business. And the mergers in the department store field are creating new situations there.

Food, drugs, toilet articles and utility household and personal goods that can be carried home are now so standardized that chain stores can dispense them without expert service and with quick turnovers. Yet in articles of fashion something new is constantly demanded. Women want inexpensive hats and dresses and shoes and



Stewart L. Mims, Jr., Walter Thompson Company, one of the general session speakers.

more of them—they don't want them to last too long. Fashion has come into almost all but standardized merchandise. Obsolescence is a new factor in demand and its supply.

Retailing is also under scrutiny as to its operating costs. Too much spread in price between the producer and consumer, is the cry. And the U. S. Government will make a survey on this point in its decennial census of 1930. But it is worth noting that the Bureau of Business Research, Harvard University, in its report of June, 1929, stated that the ratio of operating cost of the chain store was rising and that of the independent store was falling.

Today the department stores of America, including general merchandise stores, totaling more than 5,000, do approximately six and one-half billion dollars of the forty billion annual retail trade of the United States

—"startling testimony," says Dr. Julius Klein, Assistant Secretary of Commerce (U. S. A.), "to the soundness of the business integrity and merchandising foresight of well-known leaders in department store management."

Department store mergers are making strange bedfellows. For example, Macy's, which makes an advertising fetish of cash selling while making rebates to its deposit account customers, now buys Bamberger's, a charge account store of Newark, N. J. Marshall Field & Company, which bans the comparative price, owns the Davis Store (formerly Rothschild's), which freely uses it; and now, buying the Frederick & Nelson store of Seattle, Washington, is reported as planning a chain of big city department stores and small dry goods stores, presumably to give better outlet to its wholesale business. Filene's, a Boston specialty store, plans a merger with Abraham & Straus of Brooklyn, an old-time department store. And the Hahn department store chain, just organized, is a federation of twenty-four companies operating twenty-nine stores of varying character and volume from Jordan Marsh of Boston to mediocre stores in small cities.

Much of this consolidation and expansion is being done with the people's money. Today twenty different department store organizations, some operating as many as thirty-five separate units, doing an aggregate volume of a billion dollars in 1928, are listed on the New York Stock Exchange, with aggregate value of stocks, both preferred and common, of \$710,000,000, of which stock the public holds more than one-fourth. The extent to which the public will profit from their monies invested in retailing or in any industry will depend on whether in the sale of stocks the houses of issue are *getting* the public in (to share the burdens) or *letting* the public in (to share the profits).

To be of benefit to the public these consolidations must reduce the ratio of expense in the merged stores. Yet a new and costly overhead is being built up in the buying and management organization of the holding company. There may be a saving in consolidated buying. But independent stores may use group-buying associations, which accomplishes the same purpose. There may come more financial stability, but first the bankers' profit in effecting the merger must be paid. There may come a unification of system and control. But management and man-power is a human thing that must be reckoned with.

Like Germany of former days,

America is being flooded with statistical and so-called scientific methods of conducting business often leading to expensive and false efficiency. Merchandise control, controllers' control, management control—all are being tried. Congresses and conventions and conferences are constantly being held until there is little time left for actual work or clear thinking. The rest of a store is always in its merchandise, its prices and its service. Advertising may catch attention, arouse desire, lead customers to the store with full intent to buy—and then comes the test; does the store square with its advertising, in merchandise, prices and services? Store-keeping is like the drama; the public has little concern as to what goes on behind the scenes—with the author's pains of creation, the actor's hectic rehearsals, the artist's travail in producing the "sets"; it is interested only in the finished dramatic production. The play, itself, either makes good or it doesn't. A store either makes good or it doesn't, whether by singlehanded genius or a composite of executives, and to this making good the sciences and arts contribute. But if a store sets up a system-Robot, acting without intuition and experience, it becomes a machine and not a personality. Business cannot be formalized to the extent required to justify its inclusion in the family of exact sciences. Business requires the meeting of problems by the experience, knowledge and intuition of personal genius and thus qualifies as a profession.

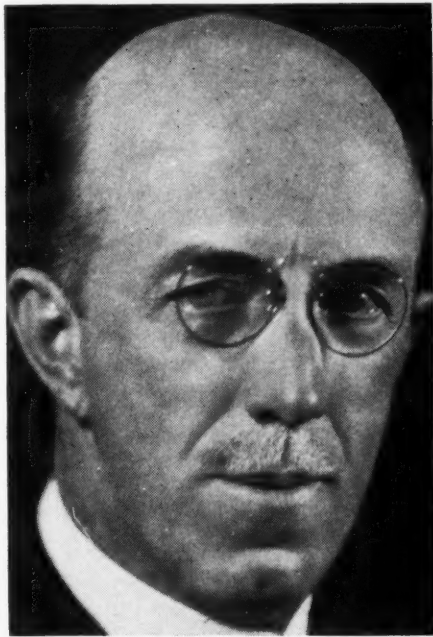
And now this conclusion: Let us have freedom of views, but let us try to resolve them into helpful cooperation.



Thomas J. Watson, president and general manager, International Business Machines Corporation.

The advertising agent looks at the merchant's store announcement and says: too much price display, too many sales featured, give up the comparative price, and for heaven's sake put more art in your make-up. And the merchant responds: your beautiful illustrations, your word-pictures, your tainted testimonials, give *impressions* that may be the more misleading because they do not speak in exact terms; give us a more accurate yardstick for the measure of value and we will give up the comparative price; show us that women are no longer interested in market reports of merchandise and their fluctuating prices, as men are interested in the changing market reports of stocks and bonds, and we will stop featuring price.

The merchant looks at the newspapers and says: you are giving too much space to sports and not enough to fashions; you publish articles on automobiles and fail to recognize the



P. L. Thomson, president, Audit Bureau of Circulations.

not merely the agent of the manufacturer, I am an independent merchant, the representative of the consumer-public. And, furthermore, I can frequently create private brands cheaper or better than your advertised brands.

See Advertising as Means Toward World Peace

By John Benson, president, American Association of Advertising Agencies

WHILE nations and markets doubtless are going to be individual and differ widely from one another, trade is trending more and more toward universal and standardized practice and advertising as its spokesman, inevitably will do so too.

Trade is a great civilizer of people; it involves a mutual benefit between buyer and seller and a sympathetic understanding. This is even more true of advertising, which is the voice of commerce and the creator of good will.

The more its friendly message is spread among nations, the closer they will get and the better they will know one another. There is no barrier like that to war, military or economic. No statesmanship can vie with advertising as a conservator of peace.

Advertising deals essentially with the so-called "optional" needs of people, over and above the bare necessities of life, about which the buyer can exercise some choice. This involves of course a margin of purchasing power. That, in the United States, has become so widespread that the

bulk of population today can and do respond to advertising; they have the money to buy what it offers. Undoubtedly it was advertising which lit the fires of a prosperity in our country whose like the world has never seen.

The money incomes of our urban population are indicated by the following figures obtained by the Research Bureau of our Association:

314,000 incomes of \$10,000 a year and up; 1,754,000 incomes of \$5,000 to \$10,000 a year; 12,428,000 incomes of \$2,000 to \$5,000 a year; 10,304,000 incomes of less than \$2,000 a year and 1,754,000 incomes of less than \$1,000 a year.

From these figures it is apparent that in spite of our great wealth, we have relatively few large incomes of \$10,000 and up; and a very substantial group of upper middle class incomes of \$5,000 to \$10,000; and an enormous group of middle class, of \$2,000 to \$5,000. This is also a very favorable factor for advertising, whose appeal is mainly directed at neither rich nor poor but at the substantial middle grade.

When judging of American methods and policies, one should always bear in mind that they are founded on and determined by this unique factor in our business life—volume. It is our master and our slave. It gives us wealth; and it also gives us waste. And the greatest waste of all is competition. With such a huge tide of merchandise to keep flowing, a strenuous sales effort must be made; as production exceeds consumption the competing units must fight ever harder for their share of the business at an extravagant cost. We now need to sell 20 per cent of our output abroad. With our people geared to high wages, and our business geared to abundant spending, we cannot recede; that would bring on a vicious circle of depression, unemployment and distress. The more momentum we acquire, the more disastrous to stop it; the force of impact is just that much more. We are caught in a maelstrom of our own making.

In this matter of competition you have made so much more progress than we have, with your cartels and trade agreements; you have more stability and equilibrium in your business relations; things move more slowly and steadily; you take time to live and enjoy living; business with you is not an all engulfing passion; it is a means to an end, and that end is life itself. We, too, are idealistic, restive under the high pressure of business, desirous of more leisure and a wider interest in life. We are not a nation of money

(Continued on page 318)



Louis Wiley, business manager, The New York Times.

news in stores; you are running wild on sensations just to boost your circulations and get higher advertising rates from us when we don't want and can't use economically that sort of circulation; and we don't like your sliding scale of rates based on circulation because it makes inaccurate budgeting of our expenditures. The publisher retorts: treason! You are trying to interfere with the sacred freedom of the press.

The manufacturer asks the merchant to advertise and push his trade-mark goods because with demand already created by his advertising they are easy to sell. The merchant replies: my name is my good will, just as yours is yours. I must feature my individuality as you feature yours. I am

National Packers Ask Permission to Open Retail Food Chains

Modification of the consent decree of 1920 to permit the meat packers to handle other food products in addition to meat and to establish their own retail outlets was asked of the Supreme Court in Washington this week in two petitions filed by Armour & Company, Swift & Company and their associated firms and agencies.

The packers also seek permission to own stock in public stockyards, terminal railroads and other businesses engaged in distributing and selling food products.

Marketing changes which have taken place in the last nine years and the development of retail food chains, the petitions point out, show that there is no danger of any monopoly in the food distribution field—the possibilities for which actuated the Government in issuing the decree.

F. Edson White, president of Armour and spokesman for the packers, gave three principal reasons for the petitions:

1. Recent fundamental changes in methods of marketing make the restrictions imposed by the decree unnecessary. So many organizations, including chain food stores, have developed to such a point that any monopoly or restraint of trade is wholly impossible.
2. The restrictions on the four national packers are contrary to public interest because they forbid them to make full use of their existing distribution facilities, thus causing waste and loss to the public.
3. The decree is unjust and contrary to the law intended to assure free and fair and open competition. It permits other packers and other organizations to do things which the four national packers are prevented from doing, although they have the facilities for doing them economically. This decree, therefore, itself creates unfair competition as between packer competitors not affected thereby and the packer defendants, a situation which the law was enacted to prevent.

Regarding the changes in the market situation since the decree was filed, the petition points out that chain food stores have grown from comparatively small beginnings in 1919 to 1,000 chains with 70,000 stores and sales exceeding \$3,000,000,000, and that



© Blank-Stoller.

F. Edson White

chain food stores now do from 35 to 45 per cent of the nation's grocery business. Furthermore, 6,300 wholesale grocers do an annual business estimated to be \$4,000,000,000. In addition, there are at least 1,300 slaughtering and meat-packing concerns in operation, of which 58, not including the four national packers, have a total income greater than \$680,000,000 yearly.

The change in marketing conditions, together with the Government supervision provided by law, makes monopoly impossible and the restrictions of the decree are therefore unnecessary.

The petition for modification also points out that the decree prevents the four packers from fully using their existing facilities of distribution. This means that the entire cost of maintaining branch houses and other facilities must be carried by their business in meats and meat products, instead of being shared by other products which without additional expense could be distributed through the same channels if the decree allowed. Other producers, such as farmers' co-operatives, are also prevented from marketing their goods through the facilities and contacts maintained by the national packers. In addition, the recent decline in cattle production has caused the four companies to close

many branch distributing houses, as the meat business alone is not always sufficient to maintain them.

These factors prevent full efficiency in distribution and cause an economic waste which is necessarily reflected in prices.

The injustice of the restrictions is supported by a review of recent business trends on the part of competitors, who are free to adopt methods which the four national packers are forbidden to use. Very many packing companies, not bound by the decree, own their distributing facilities. There is a distinct tendency on the part of packers, who are not restricted by the decree, to obtain their own retail outlets. One packer, for example, operates 50 retail meat markets, another has a chain of retail stores and all except the four national packers are free to arrange in these ways for the distribution of their own goods.

Similarly, while meat food producers are tending to establish retail meat markets, the chain store systems, already owning retail outlets, are tending to reverse the process by acquiring the sources which produce the goods they sell. One of them, with 2,700 meat markets, owns two meat-packing plants and a sausage factory. Indications are that the retail meat distribution is coming into the hands of food chain systems even more rapidly than is the case with groceries.

Lumber Manufacturers Plan Radio Campaign

A radio advertising campaign to supplement the program now being conducted in general and class magazines was recommended at the annual meeting of the directors and trade extension executive committee at Longview, Washington, last week.

Several steps were taken at the meeting to stabilize the merchandising of lumber—including a nation-wide survey of lumber consumption and demand, especially with regard to retail distribution; the adoption of public and private forestry policies, including conservation of the remaining virgin timber, adoption of a code of lumber trade ethics and the creation of a National Timber Conservation Board.

Could an artist draw this picture?



AN ACTUAL PHOTOGRAPH MADE BY A MEMBER OF THE PHOTOGRAPHERS ASSOCIATION OF AMERICA

PHOTOGRAPHS are salesmen, bidding for business. They argue, cajole, convince. And so quietly do they work that the buyer scarcely realizes their subtle spell. He only knows that here is something actual, something authentic; evidence that he can *believe*. Only the camera can show such a wealth of detail against a background of romance. No wonder more and more advertisers are turning to photographs to tell the sales story. Use photographs and build *believability*. Photographs tell the truth.



Your copy of *How to Use Photographs in Your Business* is ready. Your local commercial photographer will gladly hand it to you; or write Photographers Association of America, 2258 Euclid Ave., Cleveland, O.

PHOTOGRAPHS

Tell the Truth



An advertisement published in 1909 which brought an inquiry in 1929.

Oakland Prospect Answers 20-Year-Old Advertisement

An inquiry in response to an advertisement of the Oakland Motor Car Company, which appeared in the *Saturday Evening Post* in 1909, has just been received by W. R. Tracy, vice-president in charge of sales of the company, from B. V. Allen, Galena, Kansas.

In those days, when automobile dealers were few and far between, advertisements usually carried a coupon which the prospective purchaser was urged to fill in and send direct to the factory. Mr. Allen, however, clipped the entire advertisement, filled in the coupon and mailed it to Mr. Tracy, indicating that he desired further details regarding the Oakland "forty" runabout, which boasted the then new body feature of a rumble seat.

When the advertisement was published Oakland had just completed its first year of production and had announced to the world that it had 500 cars in operation. The "forty" sold for \$1,600.

In replying to Mr. Allen's inquiry, Mr. Tracy suggested that at less than half the price he might find today in the Pontiac six, also made by the Oakland Company, a much better car.

Littlehale, Burnham and Whitman Join

The Littlehale Advertising Agency, Inc., the Burnham Advertising Agency, Inc., and the Whitman Advertisers Service, Inc., all of New York, have consolidated as Littlehale-Burnham-Fulton, Inc., with offices at 175 Fifth Avenue, there.

The officers of the new organization are: P. B. Littlehale, president; Hageman E. Hilty, Henry T. Hodgskin, Ralph Rossiter, Douglas Milne, vice-presidents; Arthur H. Fulton, Jr., secretary, R. B. Burnham, treasurer.

"Fly-It-Yourself" Air Service Launched

The Saunders Fly-It-Yourself Company, an outgrowth of the Saunders Drive-It-Yourself Company, has been established in Kansas City.

The organization has contracted for the purchase of a number of Arrow Sport biplanes, and has established a sales and service headquarters at the Fairfax airport near Kansas City.

The charge per hour for the service, explains Joe Saunders, manager, will probably be between \$15 and \$20.

Temple Signs 3,000 Dealers and 70 Jobbers in 6 Months

Seventy jobbers and more than 3,000 dealers have been signed up by the Temple Corporation, radio manufacturers, Chicago, since the company first began selling receivers last March, Gordon C. Sleeper, vice-president and sales manager, announced this week. Distribution now embraces every state. The company has been in the radio speaker business for several years, but started only this year to manufacture "sets."

Durene Association Adopts Slogan

"Quality Begins With the Yarn" has been adopted as the slogan of the Durene Association of America and will be used on the letterheads of the organization and in all its advertising. The Association is now conducting an educational campaign on Durene yarns under the direction of Marschalk & Pratt, advertising counsel, New York.

Drug Claims Subject to U. S. Censorship Under Court Ruling

Direct or indirect claims of curative value on labels, wrappers or attendant literature of drug products will hereafter be subject to censorship by Government officials and the Federal Courts, as a result of a decision the other day by the Circuit Court of Appeals for the Ninth District.

As a result of the decision the manufacturer "cannot escape responsibility by hiding behind the phrase, 'the doctors say,'" according to the United States Department of Agriculture.

In the particular case involved, nowhere in the label or wrapper or circular did the proprietor make any direct statement himself as to the curative value of the preparation, merely declaring, "We have received many letters from physicians reporting." Then there were given statements from physicians who testified as to the accuracy of those reports and it was contended that this was a complete defense whatever might be the character of the drug.

The most important point of the court's action is that any statement as to curative value, whether direct or indirect, must be proved.

To Hold "Continuous" Bank Exposition

"A different business show on every business day" is planned by the Bankers' Exposition, recently launched in New York under the presidency of E. D. Gibbs, formerly of the National Cash Register Company. At a luncheon in the display rooms of the Exposition Tuesday, Mr. Gibbs announced that manufacturers throughout the world whose products are used by banks and industrial organizations will be asked to display their wares there.

For more than fifteen years Mr. Gibbs was a sales executive of the National Cash Register Company.

Chevrolet Sales Force "Honors" Millionth Car

Regional and zone Chevrolet managers and their staffs and factory representatives of the Chevrolet Motor Car Company participated this week in a five-day convention at Detroit to celebrate the production in less than eight months of one million new Chevrolet sixes.

More than 2,000 visitors participated.

How Trade-Marks Fare Under Consolidations

BY WALDON FAWCETT

THE Postum alliance, transferring more than a score of established brands to the General Foods Corporation, presents the latest and best example of a new problem in trade-mark administration. Under merger, the question is not merely what is to be done with the assembled brands; more subtle and just as insistent is the conundrum of what obvious or proclaimed relationship between the individual brands is to be reckoned with in selling and advertising.

New complications in trade-mark teaming are, in a measure, the product of the latter-day type of corporate merger. In the modern type of all-star merger the question of whether certain trade-marks shall be kept alive enters scarcely at all. Virtually the only instances in which trade-marks have been killed are those in which a minor brand won in a merger would transgress upon a major mark relied upon as one of the leaders in the new line-up.

Legal Points Involved

As though the tangles that have grown out of certain historic transfers of trade-marks had a sobering effect, there is observed on the part of latter-day merger managers a disposition to melt inherited marks regularly and in order. Trade-marks, labels, etc., are, as a rule, specifically mentioned in the legal documents that cement a merger. This precaution extends to explicit stipulations of brand jurisdiction, etc., in cases where a merger embraces only a portion of the holdings of a surrendering concern, leaving the remainder of the business to be continued by the original operator or to be disposed of in other quarters. In one recent instance of this kind the merger took the business under brands and left with the seller the unbranded part of his trade.

Farsighted merger executives are laying two primary obligations upon themselves when trade-marks of alien origin are turned over to them with the good will of business enterprises. The first self-assigned duty is to obtain from each party to a sale or consolidation all the existing documentary evidence with respect to the beginnings of the brands. The second is to register the merged trade-marks in the name of the new owner at Washington and at the capitals of the

states in which it is desirable that the marks shall be locally pedigreed. If the merged marks have been modified by any tying device, new registrations are, of course, imperative. No complications are expected because the federal government sanctions the use of two or more trade-marks on the same goods at the same time.

Insurance Against Infringers

While conservative accounting calls for the writing down of trade-marks and good will to one dollar or other nominal sum, merger engineers are well advised to make matters of internal record the valuations placed upon brands and other intangibles. Such exhibits will stand against the legal defensive needs of the new corporation in the event that its trade-marks are infringed. Federal umpires, both at the Patent Office and in the U. S. courts, have repeatedly demonstrated that they are susceptible to proof that a brand-trailer has been attracted by valuable vested good will. In most instances the best a trade-mark owner can do is make a showing of advertising expenditures over a period of years in support of a presumptive good-will structure. The consolidating corporation, under similar circumstances, will have a proportionate advantage if it can be shown that an impressive allowance in cash or stock was made for trade-marks that are later jeopardized by raiders.

Assignees who have acquired trade-marks in a merger are under no legal obligation to give notice to the public that they are not the original owners. Under certain circumstances mergers may acquire good title to trade-marks even though the manufacturing plants are not taken over. A naked trade-mark is transferable with a secret or patented process or formulae. Expanding mergers may extend any trade-mark in their brood to goods that constitute a natural and logical extension of the business. Merger-stretchers proceed at their peril, however, if they attempt crosswise operations on the assumption that common ownership allows application of one of the herded marks to a branch of the linked lines where it has not been in use or has been used by an outside interest.

The Taylor System, Inc., of New York, style specialists, has opened a sales office at 75 East Wacker drive, Chicago, Illinois.

Reach 136,000 Buyers of Office Equipment and Supplies—Without Waste



ALMOST without exception, Rotarians are in position to purchase, or direct the purchase of, office equipment and supplies. They are business executives and professional men. More than 2,400 of them are dealers in office appliances. In the aggregate, their purchases of this class of merchandise total many millions annually.

you can reach them all—profitably, and without appreciable waste—through the pages of their own publication, THE ROTARIAN.

and because they are business men of better-than-average income and buying power, they form an equally desirable market for *whatever* product you have to sell, whether it be leadpencils or aircraft. Let us give you specific figures relating to your own business.

THE ROTARIAN

—The Magazine of Service—

Chicago Evening Post Bldg.
Chicago, Illinois

Wells W. Constantine
Eastern
Representative
17 W. 16th Street
New York, N. Y.

F. W. Henkel
Midwest
Representative
306 S. Wabash Ave.
Chicago, Ill.

COLOR is available in THE ROTARIAN at surprisingly small extra cost—two-color inside pages or four-color process inserts and covers.



Edwin A. Karstedt

Karstedt Will Direct Continental Sales in Merger Plan

Edwin A. Karstedt, vice-president in charge of sales of the old Continental Oil Company, has been elected to a similar position in the new company recently formed by the merger with the Marland Oil Company. Executive headquarters of the organization have been established in Ponca City, with sales headquarters in Denver.

Lawrence R. Milne, former Continental sales manager, continues in the same position with Continental. O. B. Lloyd, who was sales manager of Marland and L. T. Cramer, sales manager of Continental, are now assistant general sales managers. C. C. Warner is advertising manager; J. E. Moorehead, public relations director; J. M. Hollister, assistant vice-president.

The district managers are as follows: Harry J. Kennedy, New York; J. S. Curtis, Ponca City; J. P. Anthony, Denver; J. T. Strong, Salt Lake City. Division headquarters for sales are now located at New York City, Richmond, Ponca City, Kansas City, Wichita Falls, Chicago, Minneapolis, Denver, Albuquerque, Lincoln, Salt Lake, Butte and Great Falls. Division managers are being selected from the sales staffs of both organizations.

American Builder Expands in September Issue

The *American Builder*, a Simmons-Boardman publication, will be enlarged with the September issue to include the *Building Developer* and *Home Building*. The enlarged *American Builder* will continue to be published in Chicago.

Oil Industry Organizes to Put into Effect Trade Standards

Nearly 400 executives and employees of oil companies have been enrolled on committees for the purpose of administering a new code of ethics recently promulgated by the Federal Trade Commission and endorsed by the American Petroleum Institute. Subcommittees have been appointed in some regions, but these are yet to be formed in the majority of the places where they will operate.

The national committee consists of H. T. Klein, Texas Company; E. S. Hall, Standard Oil Company of New Jersey; E. L. Shea, Tidewater Associated Oil Company; Roy B. Jones, Panhandle Producing and Refining Company, and W. R. Boyd, executive vice-president of the Institute.

The committees will work on a plan outlined by the Institute for the adoption of the second part of the code of ethics by the entire industry. The first part of the code has to do with practices that the Federal Trade Commission has pronounced illegal and the second part contains a long list of practices of the industry which are pronounced undesirable although not illegal.

Who's Who Sues

The A. N. Marquis Company of Chicago, publishers of "Who's Who in America," have instituted a suit in the United States District Court in New York for an accounting against "Who's Who" Publications, Inc., and the Lewis Historical Publishing Company, New York City, alleging that the defendants in their joint publication, "Who's Who in New York," have plagiarized the copyrighted data for "Who's Who in America."

Serves Oldest Papers

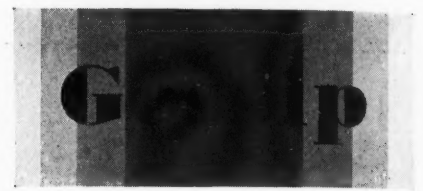
The *Daily Gazette*, Alexandria, Virginia, established in 1784, said to be the oldest daily newspaper in the United States, has appointed Devine-Tenney Corporation, New York and Chicago, its national advertising representatives, effective October 1, 1929. This company also represents the oldest weekly newspaper in the United States, the *Maryland Gazette*, Annapolis, established in 1752 and now published in connection with the *Annapolis Daily Capital*.

Rodney Boone Moves

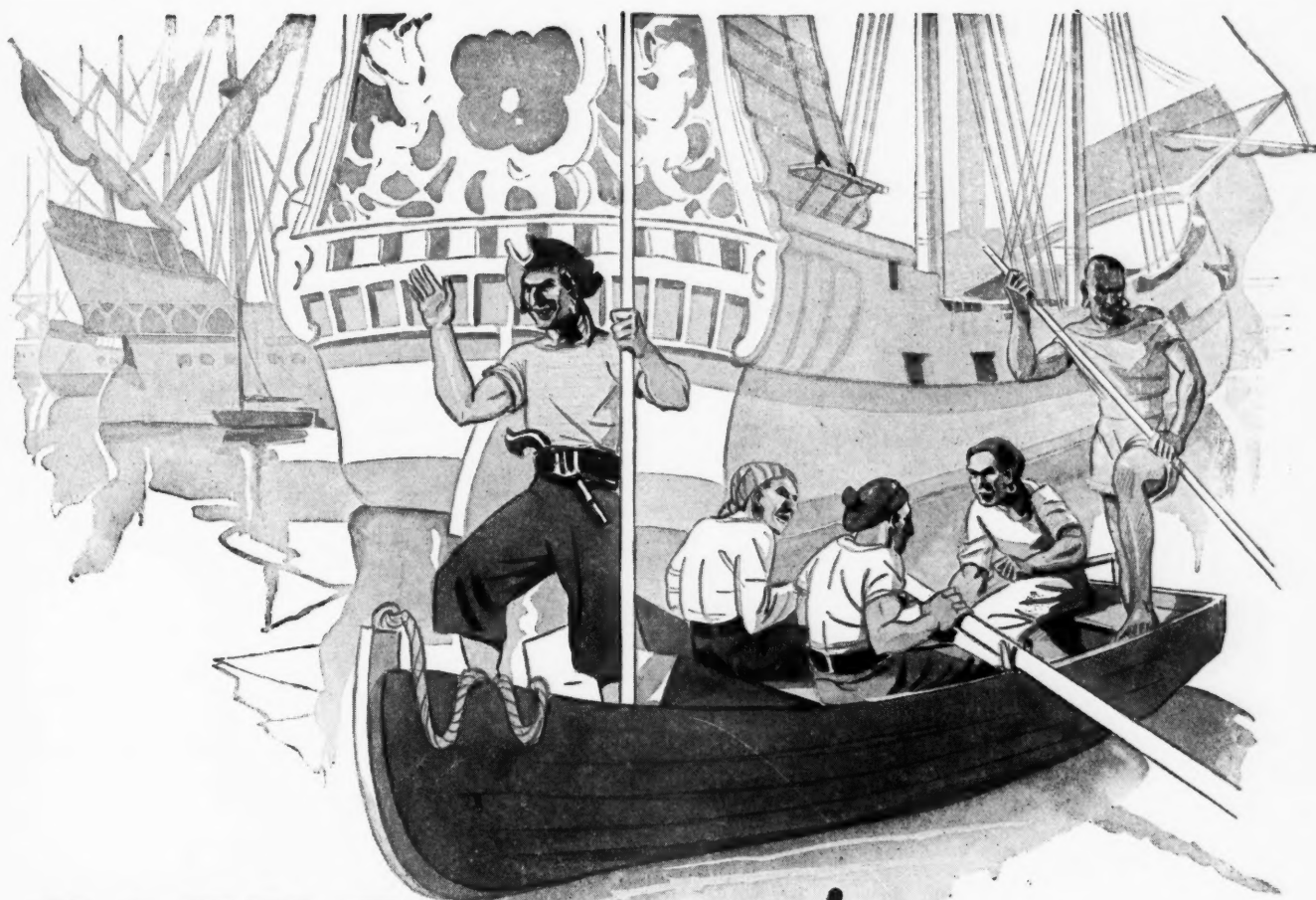
The Rodney E. Boone Organization, representing fourteen Hearst newspapers in the national advertising field, has moved its offices to the International Magazine Building, New York.

Plan Boxmaking Paper

Modern Boxmaking, a monthly publication, will be launched in New York October 1 by the Breskin & Charlton Publishing Corporation, 11 Park Place.



WALTER L. WEEDEN is now in charge of sales and advertising of the Crex Carpet Company. Almost his entire business career has been spent in this industry, his former connections being with the M. J. Whittall Associates, George W. Blabon Company and W. & J. Sloane. . . . GIL S. CRANE, assistant manager of the media department of Campbell-Ewald Company, Detroit, for the last three years, has joined the *Detroit Times* as national advertising manager. . . . LINN T. PIPER, until recently president of the Copeland Refrigeration Company, Chicago, distributors in that territory for Copeland refrigerators, has become a member of the firm and vice-president of the Shuman-Haws Advertising Company, there. Previously he was general sales manager of the by-products division of Armour & Company. . . . ERNEST G. ALDRICH, for many years with the *American Poultry Journal*, is now advertising manager of the *American Farming and Agricultural Leaders Digest*. . . . F. P. LARSON is now advertising manager of James S. Kirk & Company, soap manufacturers of Chicago—succeeding W. C. NICHOLS, who has become Western manager of the H. H. Lestice Publishing Company of Los Angeles. . . . BRUCE PARSON has joined the Louisville office of the Chambers Agency, Inc., New Orleans, as account executive. . . . JOSEPH R. BOLTON, secretary of the Advertising Club of New York, has expanded his title to include that of manager. . . . J. H. R. HUTCHINSON is now manager of the Seattle office of McManus, Inc. He formerly was with the Detroit office as assistant director of research. . . . JOHN A. SANBORN has joined the New York office sales staff of *People's Popular Monthly*. He comes from the Chalmers Publishing Company. . . . J. B. SNYDER, formerly account executive, G. Allen Reeder, Inc., has joined Jordan Advertising Abroad, Inc., in the same capacity. . . . Hommann, Tacher & Sheldon, Inc., New York advertising agency, have added several executives to their staff: LYNN B. CLARK, account representative, formerly of Batten, Barton, Durstine & Osborn, Inc.; W. C. KOUP, writer, at one time with Newell-Emmett Co.; JOE VILA, JR., writer, from Frank Presbrey Company; WILLIAM FRANK, marketing research, formerly controller of a large department store, and with White & Parton; KERWEN LUCKEN, production manager, formerly with Critchfield & Company. . . . W. R. E. BAXTER, who has been a member of the editorial department of SALES MANAGEMENT, has joined the McGraw-Hill Publishing Company, New York, as assistant publicity director. . . . ERNEST C. HASTINGS has been appointed editor and J. PHIL BERMAN business manager of the *Dry Goods Economist* of the United Business Publications, Inc., New York. Mr. Hastings, former managing editor, succeeds EDWARD F. ROBERTS; Mr. Berman takes the place of HARRY E. TAYLOR, who has withdrawn because of ill health. . . . SHERMAN PERRY, who has been assistant to the director of publicity of the American Rolling Mill Company, Middletown, Ohio, is now manager of sales for the Crystal Tissue Company there.



BACK TO PORT!

THE bold adventurers of old returned from foreign lands with strange gifts to thrill those at home—the work of mysterious climates and alien hands. Sir Walter Raleigh introduced pipe tobacco. Drake charmed the heart of his queen with oranges and silk stockings from his captures. Luxuries they were to a folk ignorant of what went on beyond the seas.

But now silk hose promenade with almost every flapper. Even the watches, automobiles, and radios that inspired awe a few years back are now sported by the multitude. Daily luxury articles step from the royal parade into the ranks of the work-a-day world. The same merit, produced

in mass quantities to meet the popular purse.

That's what happened to the royalty of the paper world. The launching forth of Caslon Bond gave to the work-a-day world the crisp quality that made business men of old thriftily conserve bond paper for the very finest of their messages.

Sound economic reasons here, too. Natural advantages of manufacture and an invention permitting watermarking at high speed enabled Caslon Bond to pioneer branded standardization at a popular price. Advertisers and printers have found that to follow its banner leads to profit. Ask your paper merchant for test sheets and a copy of the new sample book.



The full story is in a book, aptly titled "Hidden Gold in the Bond Field." Write for a copy if you haven't one.

CASLON BOND



Reg. U. S. Pat. Office

A popular-priced bond paper for a work-a-day world

THE MUNISING PAPER COMPANY ~ MUNISING, MICHIGAN

Engravers Inaugurate Publicity Campaign; Form Sales Plan

The American Photo-Engravers Association, at its thirty-third annual convention in San Francisco, announced through its commissioner, Louis Flader, Chicago, an intensive publicity campaign to educate the public on the value of photo-engravers' art—the first shot of the campaign being the nationwide distribution of a sixty-four-page booklet entitled "The Art of Photo Engraving." A series of similar booklets are to be prepared and distributed. That the association realizes the need of intelligent marketing and sales management is evidenced by a resolution unanimously passed:

"Whereas, the necessity for increasing photo-engraving sales volume is most evident and

Whereas, it would seem that an organized method of marketing or merchandising would be most desirable and effective, Be it therefore resolved, that the incoming officers and executive committee be instructed to recognize this situation by the formation of a marketing plan."

The convention also made the following additions to the code of ethics of the Association: Do not seek to monopolize knowledge and ideas which should be made public for the benefit of the entire industry. Make no pretenses of alleged "trade secrets" or the possession of other mysterious advantages over competitors.

Theodore Warmbold, manager of the St. Louis Engraving Company, St. Louis, revealed several new shadow-graph and other photographic methods for creating novel plate effects.

A. J. Newton, manager of the engraving department of the Eastman Kodak Company, Rochester, advised photo-engravers to "tie in" with each new printing process that comes, instead of seeking to discourage new fads or new processes. He referred particularly to the Jean Berte process of water-color-ink printing, and showed how the photo-engraver can offer the Jean Berte printer the service of producing on the rubber surface a clear photographic image as a guide or key for the hand-cutting process. Mr. Newton gave formulas he has worked out for this.

The new officers for the ensuing fiscal year, are: president, Adolph Schuetz, New York; first vice-president, Carl F. Freilinger, Portland, Oregon; second vice-president, Peter Schotanus, Detroit and secretary-treasurer, Oscar F. Kwett, Canton, Ohio.

Turkey Growers Go Cooperative

Another branch of agriculture "went cooperative" this month when the turkey raisers of California met in Sacramento, organized the Turkey Growers' Association, and elected A. E. Greiner, Corning, president; R. G. Weidemier, Orland, vice-president; and F. C. Franklin, Richvale, secretary.

Plans for federal and state grading service have been formulated, and the organization program is already functioning, with ten "turkey locals" already formed in California. Stabilizing of market conditions and elimination of excessive middlemen's fees were announced as the major objectives of the organization.

Account Changes

SONORA PHONOGRAPH COMPANY, INC., phonographs and radios, to Eugene McGuckin Company, Philadelphia.

HART TROPICAL LABORATORIES, New Orleans, to Van Allen Agency, Detroit, newspapers.

BAUER & BLACK, Chicago, division of the Kendall Company, Boston, to Erwin, Wasey & Company, Ltd., Chicago.

MAGAZINE REPEATING RAZOR COMPANY, New York City, and the HALL ELECTRIC HEATING COMPANY, INC., Philadelphia, to N. W. Ayer & Son.

WAITT & BOND, INC., manufacturers Blackstone cigars, to Batten, Barton, Durstine & Osborn, Inc.

FIDLER-LASER COMPANY, Chicago, Sani-Tuck baby coverlets, to Auspitz-Lee-Harvey, there.

INTERNATIONAL TEXTBOOK COMPANY, Scranton, Pennsylvania, subsidiary of International Correspondence Schools; McGRAW-HILL BOOK COMPANY, New York, and the A. W. SHAW COMPANY, Chicago, to Charles C. Green Advertising Agency, Inc., New York.

CHILTON PEN COMPANY, Boston and Long Island City, to Glen Buck Company, Chicago.

TRICO, metal radiator cover manufacturers, to Porter-Eastman-Byrne Agency.

HOTEL NEW YORKER, New York, to Lord & Thomas and Logan, there. Newspapers, magazines, trade papers, outdoor and direct mail.

Squibb to Ask 20,000 Stores to Participate in Stock Ownership

E. R. Squibb & Sons, announced this week a plan under which more than 20,000 retail druggists throughout the United States will be eligible to share in the profits of this pharmaceutical concern.

The purpose of the plan, explained Carleton H. Palmer, president, is to bring about a closer alliance through mutual interest between manufacturer and distributor. The announcement was made at the annual meeting of Eastern representatives of the company in New York this week.

For the operation of its plan the Squibb company has formed a Delaware subsidiary to be known as the Squibb Plan, Inc., having an equal number of manufacturer's and distributors' shares. The druggists holding Squibb franchises will be invited to subscribe to units of ten distributors' shares for every retail store owned or operated by them.

For every share of distributors' stock issued, E. R. Squibb & Sons agrees to sell, up to 50,000 shares, one share of its common stock to the Squibb Plan. In addition, the Squibb Company agrees to pay into the treasury of the Squibb Plan, Inc. 10 per cent on the actual purchases of all members of the plan, and 10 per cent additional on the increase in purchase over the preceding year's purchases.

These amounts, together with incomes from Squibb common stock, are to be used to pay first the dividend on the preferred shares of the plan, the balance to be divided equally between the manufacturer and the distributors.

Moskovics Heads Chilton in Reorganization

F. E. Moskovics, until recently president of the Stutz Motor Car Company and formerly vice-president of the Marmon Company, has been chosen president of the Chilton Pen Company with offices at 44 Wall Street, New York.

L. A. Blumenthal, who has been Eastern manager of the Scheaffer Pen Company, is now general sales manager of the new Chilton Company, with headquarters in Long Island City. The advertising account of the company has been placed with the Glen Buck Company of Chicago, and a campaign in newspapers and magazines, featuring the large ink capacity of the pen, will be launched soon.

Airplane Operation Costs Less Than 10 Cents a Mile

COMplete operation costs for an average airplane, used in business, are less than ten cents a mile, according to figures compiled by O. R. Haueter, assistant sales manager of the Alexander Aircraft Company of Colorado Springs, Colorado.

Mr. Haueter bases his expense account on 100 flying hours a year, or the equal of 10,000 ground miles. Estimated operating costs are made on the average low-priced three-place open biplane, costing approximately \$3,000. The plane for which the operating costs are estimated is equipped with a ninety-horsepower motor.

The following table of expenses is figured in dollars an hour:

Gasoline	\$1.41
Oil21
Depreciation (one plane only 20 per cent a year at 100 hours a year)	2.55
Engine overhaul (each 100 hours at \$75)75

Actual flying costs, including depreciation and engine upkeep..\$4.92
Insurance at 20 per cent a year on 50 per cent of the net value of ship (fire, crash, etc.)\$2.67

Costs, including insurance....\$7.59
Rent of hangar at \$15 a month, 100 flying hours a year. This charge includes pulling plane in and out of hangar, cranking engine, oiling rocker arms, serving for gas and oil, and a daily line inspection of rigging 1.80 |

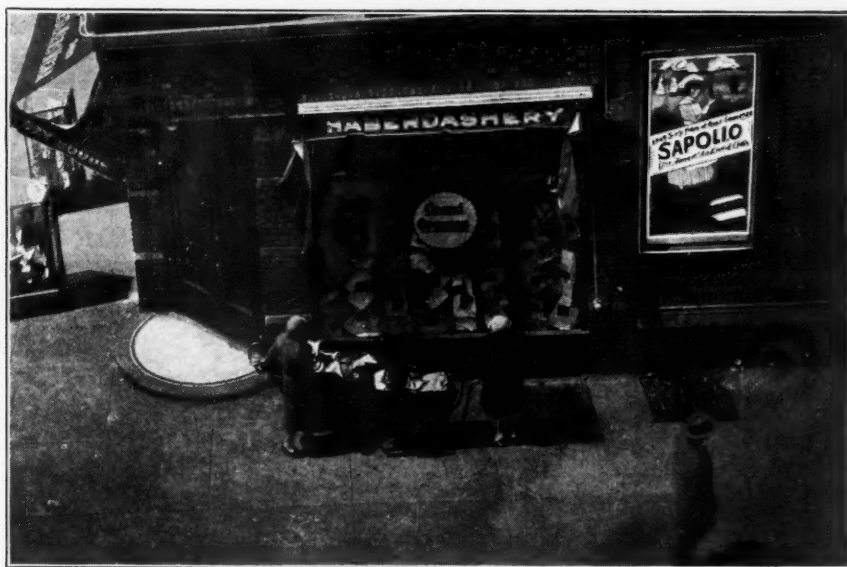
Total an hour (100 miles) ...\$9.39

Sharp & Dohme May Get Mulford Company

Sharp & Dohme, Inc., New York, pharmaceutical house, plans to acquire the H. K. Mulford Company of Philadelphia through an exchange of stock.

The H. K. Mulford Company and Sharp & Dohme have some of the leading biological laboratories in the country and are two of the oldest and best-known organizations in this line. Both manufacturers are engaged not only in the manufacturing of biological preparations, but branded remedies.

"REACHING THE BUYER IS HALF THE SALE"



Size is Relative

Some of the Present Users of Neighborhood Posters

Anheuser-Busch
Armour & Co.
Borden's Milk
Camel Cigarettes
Carnation Milk
Coca-Cola
Dayton Rubber
Diamond Crystal Salt
Emerson Shoe
H-O Hornby's Oats
Hecker's Flour
Ipana Tooth Paste
Kirkman's Soap
Old Dutch Cleanser
Premier Malt
Puritan Malt
Quality Bakers
Reckitt's Blue
Sapolio
Snowdrift
Tolley's Cakes
Ward's Bread
Werk Soap
Wrigley's Gum

THIS page is now larger to you than a sign a hundred feet square at a distance of a half-mile.

Size is relative and depends on your position in relation to the object seen.

Criterion Posters are at eye-level on busy corner walls in home-shopping neighborhoods—where, to pedestrian passersby, they are larger than the biggest signs on rooftops or roadsides. They adequately fill the eye. We experimented with many sizes before choosing the one we have now used for 15 years.

No. 6 of a series, inviting attention to twenty unique features of Criterion National Neighborhood Posting. Criterion Service, Graybar Building, New York City.

CRITERION SERVICE

The Original and Only Uniform National
Service of 3-Sheet "Neighborhood Posting"



CRITERION SERVICE, GRAYBAR BUILDING, NEW YORK CITY:
Please send us the portfolio advertised in Sales Management.

Company Name _____

Address _____

Attention of _____ Title _____

“WE”

THE WORLD TIES OF ADVERTISING: Through all the addresses at the World Advertising Congress in Berlin ran the note of harmony among the nations growing out of understanding of their needs and aims. In such a company the thought was inevitable, especially among the American delegates. Business here has thrived, as never before, since it became articulate. By crying its wares and making known its purposes through advertising, it has vastly expanded its operations and increased its goodwill among the people. The men who have been active in those developments naturally think of other human relationships in similar terms. If traffic in goods, not only at home but abroad, has been facilitated by open discussion of their merits, why should not traffic in ideas among the nations be promoted in the same way? The record of diplomacy, pursuing the methods of extreme reticence, does anything but discourage a change in the direction of talking out. . . . Our Ambassador to Germany, Jacob Gould Schurman, put the matter in concrete form when he said that the advertisers have a place in the field of international relations and would be warmly welcomed if, with their high skill, large knowledge, and ripe experience, they could assist in interpreting the nations to each other, a problem that has not yet been solved, or solved only very inadequately, by diplomatists, even with the help of the journalists. At the very moment of his speech the newspapers were getting the news of the Palais de France, the fifty-million-dollar structure which the French government is to put up in New York as a great clearing house and place of exploitation for the creations of beauty and luxury in which the French people excel. A pat and useful example of advertising to establish goodwill for trade among the nations.

PROSPEROUS CHAINS: The J. C. Penney Company, which operates department stores in many parts of the country, makes a report for the six months ended June 30, 1929, which answers several questions regarding chain tendencies. Profit on sales of 83 million dollars were \$3,306,000, compared with profit of \$2,661,000 on sales of 71¾ million for the same period in 1928, and profit of \$2,242,000 on sales of 60¾ million in 1927. Including other income, \$1.32 per share was earned on common stock, compared with \$1.02 on the same number of shares in 1928. Profit on sales shows a good deal of variation—3.98 cents on the dollar this year, 3.71 last year, and 4.48 in 1927. There is no evidence here of any tendency save to sales expansion and profitable business. Certainly one searches the statement

in vain for signs of weakness under pressure of competition, or of gains in volume that leave nothing in the till. . . . The facts are worth bringing to attention here because they fly in the face of much current misinformation about chains in general. There are many reasons for looking askance at some of the chains, and they are assuredly ministers of woe to many independent dealers. To suggest, as is frequently done these days, that the chains are less prosperous than they seem is not warranted by any known facts. Not all of them are doing so well as Penney, and specimens of no little size can be found that are moving along doubtful business lines, especially among those buying new links at pretty steep prices. But as a class, the chains are thriving. Whoever is building on their early dissolution from profit starvation is likely to suffer disappointment.

SWEETS' SALES THRIVE ON "KNOCKING." In view of all the pother over American Tobacco Company's dig at sweets in its advertising of Lucky Strike cigarettes, it is interesting to observe the returns of candy sales during the first half of this year. According to a Department of Commerce report based on returns from 446 manufacturers, these sales amounted to \$341,209,000, a gain of 3.32 per cent over sales in the same period of 1928. Meanwhile Lucky Strike consumption has also expanded substantially. It is perhaps too soon to draw sweeping conclusions from these facts, but the moral seems to be that "knock" advertising hurts neither knocker nor knockee, especially when animus is manifest. Also, that it is better in trade to be talked about, even unkindly, than to be ignored.

SALES MANAGERS IN EVIDENCE: Count Hermann Keyserling tells readers of the August *Harper's* that the sales manager plays a more important part in American business than the inventive spirit. He isn't saying what he has to say with flowers. On the contrary, he is freeing his somewhat overloaded mind of his grievance against our propensity to attach greatest importance to physical comfort. He has little patience with boasts about higher standards of living. He refuses to consort with the behaviorists who see compelling influences on conduct in our external environments. He finds man in America pursuing the animal rather than the spiritual ideal, and notes a resemblance in that respect between us and present-day Russians. . . . So, when he credits our sales managers with supreme power, he is referring to a symptom of what he dislikes and not to evidence of good, as some of us would prefer to believe. But even backhanded compliments have some value. In our world as it is, whether we like it or not, the sales manager has been pushed far to the front in these exciting days, and it is not surprising that his prominence should fall under the notice of distinguished visitors from abroad, whatever their point of view.

ADVANCE NOTICE

To Food Equipment & Food Manufacturers

BEGINNING with the November issue, the publishers of SODA FOUNTAIN magazine announce a new section to be known as "FOOD SERVICE." This section will be printed on a special coated stock.

Editorially it will be under the supervision of a trained fountain lunch man of wide experience in this field—a graduate dietician. This section will be profusely illustrated and will contain many feature articles on food service. Complete surveys of the leading cities, showing the profit possibilities of the fountain lunch business, will be published together with articles on the proper operation of food equipment and proper methods in food preparation, etc. This material will be secured through personal contact with successful establishments by our field editorial staff.

Food service now has become a major factor of fountain service and for that reason we know you will welcome this important announcement.

For food and food equipment manufacturers—we have an important story. Write today and we will send you the facts.



Coverage

60,000 Monthly
Circulation
Guaranteed

Established 1902

SODA FOUNTAIN

GRAYBAR BUILDING
420 Lexington Avenue
New York

FOR BETTER FOUNTAIN AND FOOD SERVICE

Harvard to Resume Research Prize in 1929 Awards

The resumption of the \$2,000 research award, which was discontinued last year, is a significant change in the plans of the Harvard Advertising Awards for 1929, as announced this week by Neil H. Borden, assistant dean of the Harvard Business School. As formerly, four awards of \$2,000 each will be given for advertising campaigns: (1) For a national campaign of a specific product; (2) for a local campaign for a specific product or merchandise; (3) for a general or institutional campaign; (4) for a campaign of industrial products. A statement of 600 words giving pertinent facts concerning the campaign is to accompany the advertising campaigns submitted.

Four awards of \$1,000 each will be given for individual advertisements: (1) for effective use of text; (2) of pictorial illustration; (3) of display line; and (4) of typography.

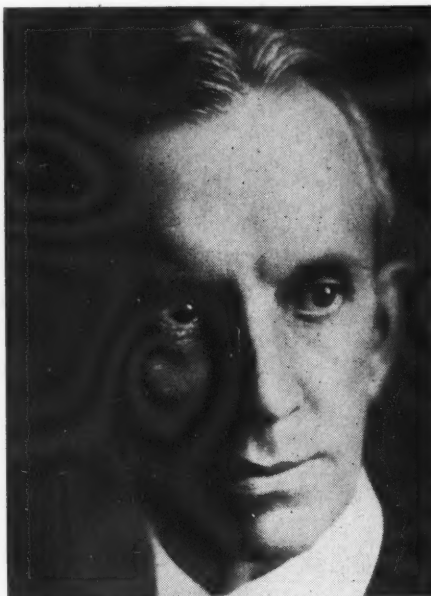
The gold medal for distinguished personal service to advertising is again included among the awards.

The Harvard Advertising Awards were established in 1923 by Edward W. Bok in the Harvard Business School as a means of giving recognition to merit and of stimulating higher standards of excellence in the planning and execution of advertising. The awards are limited to advertising appearing in newspapers and magazines during the current year. The winners will be announced next February, after a jury appointed by Dean of the Harvard school has selected winning material from among the large number of advertisements submitted. In 1928 the jury reviewed approximately 10,000 advertisements. A greater number is expected this year.

Baby Ruth Delivers Gum 450 Miles by Air

To fill rush orders to Missouri jobbers, three cases of Baby Ruth Real Mint Gum, weighing approximately 250 pounds, were shipped by the Curtiss Candy Company via the Universal Air Lines the other day from Chicago to Kansas City.

The orders were received at the Chicago offices of the company in the morning and the goods were in the hands of the jobbers, 450 miles distant, seven hours later.



D. F. Kelly, president and general manager of The Fair, Chicago department store, who has been elected president of the Kresge Department Stores Corporation—succeeding S. S. Kresge, who has become chairman of the board of the company.

Hoover Replaces "Annual" with Sectional Meetings

In order to conserve for its dealers the full strength of man-power for sales work throughout the summer and to extend to the entire sales and service organizations the benefits of closer understanding of proved methods and means for getting increased sales, as well as contacts with company officials, the Hoover Company, manufacturers of Hoover Electric Cleaners, will hold thirteen sectional conventions in the field this year instead of its annual sales convention. This is in line with a somewhat general trend toward abandonment of big conventions.

These thirteen sectional conventions, to be held at branch headquarter cities, will last two days, with the first day's program devoted to the salesmen and the second to strictly managerial problems. Whereas, in the past, only the salesmen who qualified as maximen and top-notchers, the upper 10 per cent of the sales force, were privileged to attend the annual sales convention, now under this new plan all Hoover sales and service men will contact with groups of company officials and executives representing factory departments and the Research Engineering Department. The first convention of the Western Area convenes in Minneapolis on August 28, with the first of the Eastern Area opening in Detroit on September 3.

N. I. A. A. Will Show Relation of Sales to Advertising

Seven hundred and fifty-nine companies engaged in industrial selling are being asked by the National Industrial Advertisers' Association to cooperate in a survey of advertising expenditures and their relation to sales, a summary of the results of which will be presented at the annual convention of the association in Cincinnati, September 30-October 2. The work is being conducted under the supervision of J. N. McDonald, of the Anaconda Copper Mining Company, and G. W. Morrison, of the Ingersoll-Rand Company, with William A. Hemming, director of research of the association, cooperating.

The questions are divided into five groups, as follows: (1) Classification of products sold, from buyer's standpoint; (2) last year's sales volume; (3) relationship between advertising expense and sales volume; (4) a breakdown of the 1929 advertising budget to include media, cost of art work, engravings, cuts, etc.; administrative expenses and miscellaneous items, and administrative information—covering whether or not the company maintains an advertising department, and to whom the department is responsible, and whether or not it employs an advertising agency.

It is expected that between 300 and 400 concerns will contribute data for the survey, and that the work will be of value to advertising managers in preparing for 1930 budgets.

Penton Publishing Company Promotes Executives

The Penton Publishing Company, Cleveland, announces several promotions and changes in its field force. George O. Hays of New York, eastern manager of *Iron Trade Review* has been transferred to Cleveland as business manager of that publication, being succeeded by J. F. Ahrens, who formerly represented the *Foundry and Abrasive Industry* there. George B. Howarth has been transferred from Cleveland to New York as eastern manager of the *Foundry and Abrasive Industry*. A. L. Klingeman becomes Ohio manager of the *Foundry and Daily Metal Trade*. E. C. Kreutzberg for some years an editorial executive of various Penton publications in the east, is now eastern manager of the company, at New York.

A Circulation Analysis by Shopping Areas

(Continued from page 274)

in 266 out of 683 areas and in 1,076 out of 3,027 counties. *Pictorial Review* is seen to lead in 158 areas and in 705 counties, *Woman's Home Companion* in 111 areas and 663 counties. *The Ladies' Home Journal* comes next with 77 areas and 374 counties, *Delineator* in 68 areas and 249 counties and *Good Housekeeping* in three areas and nine counties. These last two are expected to be lower because of the smaller amounts of circulation that they possess. The rest of the details will be found in the booklet itself.*

The six colored maps carry this detail further and show the areas in which each publication leads, so that those who are sufficiently interested can decide on the comparative desirability of these various areas, by whatever method they wish to employ.

Venturing a mild criticism or two, I would like to point out that the *Delineator* figures reap a marked advantage in this particular pamphlet, in that they are from a November, 1928, breakdown, whereas the balance of the breakdowns are from February to April, 1928. I understand that this was due to the fact that *Delineator* was growing so fast (at its reduced price) at that time that no circulation book could possibly be produced. But the fact remains that the comparison is not a true one, inasmuch as each of these other magazines have doubtless made circulation gains between the time of publishing their last circulation books and November, 1928—approximately six months later.

Moreover, we believe that such other area breakdowns as can be found in the Wholesale Grocery Atlas or in the George Batten dominant newspaper circulations areas and others would be just as much worth while as those given in "Retail Shopping Areas." Perhaps these will be a later development. For, by and large, there is no more generally used set of publications than these same women's magazines, and anything that can be done by them to make their buying easier is of vital importance to all who use breakdowns of any kind.

*We understand that there are copies available for those who are sufficiently interested to write to *McCall's Magazine* for them. And if you do write will you please tell them that you read about it in the S. O. S. column. We thank you, one and all. Or if you prefer to have your name kept out of it, we will endeavor to get a set for you, if you will send in your request to us, care of this column.

Southwest Lithograph Joins L. A. Agency

Young & McCallister, Inc., Los Angeles advertising agency, and the Southwest Lithograph Company have become affiliated and a holding company formed which will be known as the Pacific Western Corporation, Ltd. Young & McCallister, Inc., will hereafter be known as Young & McCallister and Heintz—adding the name of Carl M. Heintz, secretary and treasurer.



Made for Potter Taylor Paper Co.

Made for Royal Typewriter Co.

Made for Remington Typewriter Co.

Cases by WINSHIP

for Portable Products

CASES by the 100,000 or the Piece! Cases that merely afford protection and portability or cases that make the product worth more than the price! Winship makes all!

Winship designs the case and aids the manufacturer to whom this is a *new problem*; or Winship builds to specifications to fit every need—even a price limitation! Winship cases help sell the product that's carried by hand. *Portable typewriters, calculating machines, health motors, radios, phonographs, sewing machines, cosmetics, electrical instruments, vibrators*,—these are but a few of the numberless cases designed and built by Winship.

Send a sample of your product or your present case or for any information and let us submit ideas and prices to you.

Boston
71 Summer St.

W. W. Winship & Sons, Inc.
Utica, N. Y.

New York
39-41 W. 32nd St.

Makers of the famous FABER Sample Trunks and Cases—and Cases for Portable Products



Made for Standard Sewing Machine Co.

Made for Monroe Calculator Co.

Health Motor Case made for Savage Arms Co.

Texas

The state that requires more than 4 papers to give adequate coverage.

BEAUMONT

The 5th city in Texas in distribution and sales importance. Therefore, always include the

BEAUMONT ENTERPRISE AND THE BEAUMONT JOURNAL

Home delivered throughout Southeast Texas and Southwest Louisiana

"Ask BECKWITH, He Knows"

WRITER with ENGINEERING TRAINING

The leading service organization in its field has an opening for a man who really knows something about selling appliances to industrial concerns and who can write clearly and interestingly on that subject. Editorial experience on technical papers, though not required, would be an asset in this job. State definitely your education, record, and present or last salary. If convenient, send samples of your written work, which will be returned. Address Box 821, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

Mailing Pieces that Break the Ice for Studebaker Salesmen

(Continued from page 290)

should be appealing in appearance and carry any special tie-ups that might make them especially interesting to women. Our first piece was a small folder, very smart in typographical dress, and short in copy.

Our second piece had every appearance of a page torn from a women's magazine. It featured an article pertaining to our cars written by a woman, Caroline Sanborn Krum. Every detail of the page was worked out to simulate the appearance of a woman's publication.

After we finished with the printing we wanted to reproduce that tear edge on the side which would make the page look as though it had been torn from a bound magazine. Our printer seemed stumped with this request for a while but finally produced a natural tear edge.

The All-Important List

I hope I haven't created the idea that we depend on trickery for attention. That is not the case. We are always looking for ways and means to obtain attention. Sometimes our device is to personalize, other times to produce something with so great an eye appeal that we are bound to secure a reading.

Julius Rosenwald once said, "If some unthinkable catastrophe should come about tonight and wipe away all Sears-Roebuck buildings and merchandise, I should not worry, especially, as long as our mailing list escaped. We could erect a new building, buy new merchandise and carry on at once, but, if the names of our customers were lost, we should have to build again from the very beginning."

I repeat Mr. Rosenwald's statement only to emphasize the importance of the mailing list in any direct mail project. We constantly impress upon our dealers, whom we call upon to supply names to us for direct mail campaigns, that the results they receive from any direct mail program will be in direct ratio to the quality of the list they send. If the list is poorly compiled and contains names of people in no way qualified to purchase an automobile, then the results are bound to be poor.

The mailing list is the keystone of the direct mail arch. Any amount of time and money spent perfecting your mailing lists is money invested toward

the success of your campaigns. I don't care how much you spend for copy and art work, your returns are not going to be commensurate with your investment if there are too many "dead" names on your list.

We depend on our dealers for 90 per cent of our direct mail lists. We go on the theory that, if the dealer supplies the list, he feels more definitely "affiliated" with the campaign, will get behind it more energetically in following up the names.

Studebaker is one of the few manufacturers supplying direct-mail campaigns to dealers without charge. We do this because we are convinced that direct mail is an important ally to retail selling.

Studebaker's House Organ

It is natural to associate with direct mail such pieces as broadsides, letters, folders, postcards, etc. We use all of them. But we consider our greatest direct-mail effort the Studebaker *Wheel*, our monthly magazine, which has nearly a half-million circulation.

This publication carries the dealer's imprint at the foot of the front page so that it has a direct local tie-up. As we point out to the dealer, the magazine, as a whole, carries the national prestige of the product and with that national prestige his firm name is definitely connected.

I do not wish to convey, by the emphasis placed on the value of direct mail, that it is a substitute for other forms of advertising. Roger Babson once said that "direct mail should be the backbone of any campaign which is not concentrated on a limited number of prospects." But he further said it should be used in conjunction with regular publication advertising in the follow-up and in the cultivation of the interested prospects. Studebaker heartily subscribes to this doctrine by using newspaper and magazine advertising and only recently inaugurated radio programs over a coast-to-coast network of stations. We use direct mail for missionary purposes and we have every reason to believe that it produces results which fully justify the cost.

Kelly, Spline & Watkins, Inc., Advertising Agency, New York City, has opened a branch office in the Fourth National Bank Building, Cincinnati, under the direction of Walter R. Miller.

Addressograph Sponsors Stock Market Contest

(Continued from page 288)

junior salesmen received \$25 and became a "junior director," and the runner-up in each junior group received \$15 and became an "alternate junior director."

The contest was enlivened by the regular issue of a "market letter," by frequent "red hot market tips," "Address-O-Grams," "stock quotations" and similar material, all in the form and terminology of approved stock market practice. There was even a periodical "statement," showing the number of shares subscribed for, the amount paid to date, and the balance due. This statement concluded with the request: "Please remit as promptly as possible, as we expect to cut a large cash melon July 1 and will need these funds."

Only "Ticker" a Clock

About the only thing lacking was a call for additional margin, and as the "stock" was bought on a time-payment plan, perhaps there was no necessity for this.

The only "ticker" used, by the way, was a clock, which was referred to as being "The only 'Ticker' that counts in Big Dividend Contest."

"Total sales for the dividend contest were the greatest sales for three consecutive months ever recorded," said R. N. Fellows, general sales manager. "Sales during two of the three months set new all-time records for any month in the history of the company."

"The sales agent who led the country established 454 per cent of his three months' quota; the champion senior salesman's stock was quoted at 445.7 when the contest ended, and the leader among the junior salesmen piled up 386.7 per cent of his quota."

"Over 27,000 merchandise credits were issued to stocks that declared eleven or more regular dividends and over 4,000 merchandise credits were issued to stocks that declared extra dividends during the contest."

"It was by far the most interesting and the most successful of the many contests which we have held during the past several years."

Studebaker Cuts Prices

Price reductions ranging from \$20 to \$250 on more than thirty Studebaker models became effective this week. The new prices, explained A. R. Erskine, president, are a result of the company's increasing sales volume and consolidation in production methods.

Practical Books

for the Sales Manager's Desk

{All Dartnell Publications—Practical, Sound, Useful}

PRACTICAL SALESMANSHIP—By B. J. Williams, sales director of the Paraffine Companies. During thirty years on the road and behind the sales manager's desk, Mr. Williams has met nearly every difficult selling situation, the same situations your men are meeting. His methods of overcoming them furnish fresh viewpoint and time-tried ideas that help solve quickly the difficulty of the moment. Hints for the sales manager in handling men; tested plans to help experienced salesmen close "tough" accounts; practical information for the beginner. Price \$3.75.

HANDBOOK OF MAIL ORDER SELLING AND MERCHANDISING—By Ralph K. Wadsworth. The best practices of leading concerns sell-

ing by mail—both wholesale and retail. Enables you to determine if your products are susceptible to mail-order selling and how to lay plans for successfully selling them—how to organize a department; when to mail; where to advertise; building lists, etc. Price \$3.75.

A BETTER LETTERS PROGRAM—By Cameron McPherson. Shows each member of your staff how every bit of correspondence can be made a builder of good will—every letter a sales letter. The program includes fifty-two bulletins for passing around to the staff. It includes charts, analysis of good and bad letters written by other firms. Arranged in ring binder with tabbed guides. Price \$7.50.

Prices quoted are post paid

SALES MANAGEMENT

Book Service

420 LEXINGTON AVE.

NEW YORK CITY

TO Sales and Advertising Executives who want accurate, down-to-the-minute information about

Daily Newspapers

Farm Papers

General Magazines

Business Papers

Foreign Language and

Radio Broadcast

Religious Publications

Advertising Rates

we recommend that you send for details of a plan which places this Service at your disposal for 30 days without obligation on your part.

STANDARD RATE & DATA SERVICE

The National Authority

536 LAKE SHORE DRIVE

CHICAGO

Sees Advertising as Means Toward World Peace

(Continued from page 303)

grubbers; but we enjoy business; its speed and momentum challenge our imagination; it has become a far flung battle as romantic in a way as was knighthood of old. We tilt with the lances of trade for the smiles of success.

In our country the business man has become the social and economic power. He is the modern leader—the moulder of public opinion, the developer of material welfare, the patron of the arts, the friend of education. Upon his social and moral sense our civilization depends. But he deals in material things—makes them, sells them, and promotes them. Spiritual values are not his stock in trade. They earn no profits and profit is the sale end and aim of business. It is thus of great importance that we imbibe your cultural spirit, your desire for and use of leisure, your art of living and of enjoyment. More leisure will become the salvation of our country with its relief from the strife of competition and its devotion to the finer things of life.

We can learn from you. If you need more of our momentum we need more of your equilibrium. In the last analysis it is the human values which count; economic forces must serve them or fail. We want to live and let live. We can continue to be prosperous, in world trade, only when our neighbors are prosperous; the world is knit closer than ever; we have become one great market whose buying power is the limit of our selling. And we cannot sell without buying. Trade is reciprocal. The prosperity of American business at home and abroad is going to depend far more on the friendly influences of advertising, I believe, than it will upon tariff walls.

Advertising will introduce into Europe some of our trade momentum. That will make available to your people more of the conveniences and comforts of life, at a price within your reach. It will enable us to buy more freely from you.

Our speed and volume will contribute to your material well being in reaching out into the average home. It may be more beneficial to you than it has been to us. You have more balance. Your spiritual heritage is deeper. Your life perspective is longer. You can absorb a materialistic impulse to advantage. It may give new life to an old and seasoned culture, just as our contact with you will teach us the folly of mere progress,

getting bigger and moving faster without a goal.

Both you and we will be enriched.

The tide of merchandise flowing from the producer to the consumer is energized by two great forces: a consumer's pull and a producer's push. How these two forces are proportioned makes all the difference in the world in the cost of distribution and in the cost of living. The one is relatively inexpensive; the other runs into billions. If the consumer could be sufficiently enlightened about merchandise values through advertising and have complete faith in it, he would take more initiative in obtaining what he needs and require less sales effort on the part of producer, distributor and dealer. That might save billions now being expended in forcing the sale of things he should buy of his own volition more or less. Things could be sold for less money; that would increase purchasing power and find new markets for our ever swelling volume of production.

Advertising in our country deals with large appropriations, employed to move billions of merchandise. It makes a heap of difference how efficiently it is employed, how well directed its appeal, how sound its appraisal of circulation. Error is expensive on so large a scale. Guesswork is fatal. We have to be scientific. We cannot get along without facts and well-tested principles of experience.

The public, too, is constantly being better educated in the reading of advertising. The influence of trustworthy, informative copy explaining the merits of the goods offered is making itself felt. Any product untruthfully advertised cannot endure in the long run.

Discusses Merchandising Cooperation by Newspapers

By George M. Burbach, St. Louis Post-Dispatch, St. Louis, Missouri

RESearch and merchandise men with newspaper training are far better equipped and qualified than any other group to render worth-while service, to find facts and to give unbiased advice. They are familiar with the habits and requirements of the buying public and they have a personal acquaintance and influence with the retail merchants of their city.

These research and merchandise men know that it is to their newspaper's advantage to assist the advertiser in every possible way to establish the trade and consumer acceptance of advertised products. These men recog-

nize that helpful and useful surveys are not made for the purpose of proving anything. The function of a survey is to discover and uncover the facts, whatever those facts may be. These experienced men know how to get the truth about any product or class of products.

The scope of research and merchandising work being done by newspapers varies. A recent report made by the bureau of research and education of the International Advertising Association showed that a total of thirty-six various kinds of surveys or merchandise services were given by newspapers.

The types of assistance which advertisers consider most helpful are: Surveys of market conditions, route lists, information maps, window displays, letters to trade, bulletins to trade, monthly review of business conditions and merchandising field calls.

Other services are being given by some newspapers to good advantage both to the advertiser and the publication but the eight listed above embrace those most universally given by metropolitan newspapers.

Master Merchant Outlines Rules for Success

By Edward A. Filene, Wm. Filene's Sons Company, Boston, Massachusetts

IHAVE been in business 40 years or more. In that business experience I have had to think a great deal, not only of advertising but of many other matters, to keep me out of the bankruptcy court. Naturally I have formulated in the process some rules for success which I have found to work well in practice. I am going to use those of them which apply to advertising as a text for what I have to say to you today.

1. Advertise largely and courageously the things the people want and will be helped by owning.

2. Tell the exact truth in your advertisements, being sure to understate the good qualities of your products.

3. Do not lie. If a man must lie, let him do so without advertising his iniquity.

4. If you do not sell great quantities by this method, then improve the value of what you are advertising until it is more surely the best value in the market.

5. If you do not then sell greater quantities in this way, then advertise still more courageously.

6. The greatest business successes of the next ten years are going to be the business men who are at the same time the most truthful and the most courageous big advertisers.

Can We Restore the Kitchen's Waning Glory?

(Continued from page 286)

woman's periodical states the case in this manner:

"This average American woman has accomplished her revolution so quietly, and in the midst of so many other thunderous changes, that the average American man is hardly aware of her difference. He does not recognize that she was not always so, nor remembers how she was. Yet it is wisdom for the average American man who has a product to sell to realize that the woman he must please today is not the same woman to whom he catered ten years ago. By education, by imitation, by a score of subtle means, she has become infinitely more discriminating and sophisticated in her likes, her dislikes and her buying. In one brief decade she has quietly grown up forty years."

Gas Companies Waking Up

The gas-supply industry, which has been introduced into the discussion as a sensitive barometer of the whole scope of kitchen activities, the purchase and preparation of foods, etc., is slowly awakening from a state of passiveness and indifference to the new order of things. Evidences of it are seen in the extensive cooperative educational campaign launched by the New England Gas Association and those in some other sections.

Modern cooking ranges, the acme of inventive perfection in beauty, safety, oven controls and almost automatic operation, are not being promoted as articles of merchandise at so much per. But our discriminating, sophisticated ladies, who might be minimizing the "pride of possession" are being subtly led to view home cooking as the art of arts, the noblest expression of a native creative instinct, the avenue to greater appreciation of worth in other pleasurable circles they are wont to enter.

In other sections of the country the efforts of the New England gas interests are being eagerly scrutinized by other gas men and appliance manufacturers and dealers. Movements are on foot in certain sections to whip into line all the retailers of a city who have gas and electric ranges to sell, be they department stores, specialty shops, public utility retail outlets or what not, for contributions to a central campaign fund to be used in noncompetitive persuasion on this new viewpoint as to

what the kitchen is for. Commerce waits on Education in this instance, they are gradually beginning to believe.

Incidentally they know a responsive class awaits the message; a class which already is scientifically budgeting each family dollar among the alert pioneers in cooperative advertising to women. This roll is an impressive one—the ice industries, the wall paper manufacturer, the oil burner crowd with their "As Benevolent As Sunshine" picture, the "Say It with Flowers" group, the Laundryowners National Association, the Plumbing and Heating Industries, the Rayon Institute, and so on.

Yet there always seems a chance for all other new virile groups of this kind to capture imaginations and hold attentive interest, if their planning is based on a real understanding of the sort of persuasion today's clever women thrive on.

Enterprising newspapers here and there, in big cities and small, make quite a fuss over their cooking schools. Possibly they have a selfish motive in whipping new accounts into the space columns. But, on the other hand, these schools are an answer to a groping by great numbers of urban housewives in moderate circumstances for some intelligent guidance on the dignity of their main job when so many tantalizing distractions beckon.

Newspaper Cooking Schools

Several directors of such newspaper cooking schools interviewed recently say that while they never fail to draw crowds for every performance, they realize these women do not come merely to get a collection of new recipes. They are not there because they expect to witness a spectacle. Recipes and spectacles may be acquired in more simple ways than by attending cooking schools. Women attend these events to get a new slant on their job—to see if somehow there may not be unearthed some satisfying reason that will justify new interest and initiative in their necessary work.

Men, both in the role of sales planners and as husbands or advisers to these clever women, will find it necessary to adjust the spirit of their campaigns to this fresher feminine viewpoint. Then perhaps their efficiently organized sales quotas will mean something real.

IN THE SEPTEMBER 14 ANNUAL REFERENCE NUMBER

*A striking use of the modern
to display silk hosiery*



BY all means turn to our insert in the Annual Reference issue of this magazine. Not because it is something we want you to look at and read, but because it reproduces a picture which shows how useful the modern in art can be.

Nothing less than the touch of modernity used would have achieved the same display and effective result for Wayne Knit Hosiery.

A talk with one of our representatives located conveniently near you may be the first step toward equally effective color advertising in your business.

THE UNITED STATES PRINTING
AND LITHOGRAPH CO.

Cincinnati Baltimore Brooklyn
Service offices in 16 cities



NO more slow hand-feeding of envelopes into an addressing machine one by one! — Get a demonstration of this wonderful new popular-priced addresser. — It automatically feeds envelopes into itself as fast as you can turn the crank.

**DOES A DAY'S WORK
IN 5 MINUTES**

Four times faster than other addressing machines of similar size and price.

For complete information and a **FREE BOOK** on Direct-Mail Advertising, pin this ad. to your business letterhead and mail to us.

ELLIOTT

ADDRESSING MACHINE CO.
147 Albany St., Cambridge, Mass.

Sales Management Weekly Index to Motor Activity

(Average of years 1924-28, inclusive, equals 100)

Year 1929	Year 1928
Jan. 5 103	Jan. 7 100
Jan. 12 ... 138	Jan. 14 ... 120
Jan. 19 ... 142	Jan. 21 ... 126
Jan. 26 ... 144	Jan. 28 ... 132
Feb. 2 147	Feb. 4 132
Feb. 9 149	Feb. 11 ... 137
Feb. 16 ... 147	Feb. 18 ... 139
Feb. 23 ... 150	Feb. 25 ... 135
Mar. 2 150	Mar. 3 132
Mar. 9 147	Mar. 10 ... 133
Mar. 16 ... 149	Mar. 17 ... 134
Mar. 23 ... 153	Mar. 24 ... 131
Mar. 30 ... 153	Mar. 31 ... 132
Apr. 6 148	Apr. 7 128
Apr. 13 ... 157	Apr. 14 ... 126
Apr. 20 ... 156	Apr. 21 ... 128
Apr. 27 ... 155	Apr. 28 ... 126
May 4 156	May 5 126
May 11 ... 150	May 12 ... 126
May 18 ... 149	May 19 ... 126
May 25 ... 146	May 26 ... 125
Jne. 1 144	Jne. 2 126
Jne. 8 140	Jne. 9 127
Jne. 15 ... 142	Jne. 16 ... 125
Jne. 22 ... 141	Jne. 23 ... 122
Jne. 29 ... 141	Jne. 30 ... 121
Jly. 6 138	Jly. 7 120
Jly. 13 ... 138	Jly. 14 ... 128
Jly. 20 ... 138	Jly. 21 ... 130
Jly. 27 ... 136	Jly. 28 ... 133
Aug. 3 136	Aug. 4 131
Aug. 10 ... 136	Aug. 11 ... 134

The exact sources of data on which the SALES MANAGEMENT Weekly Index of Motor Activity are based cannot be completely explained or disclosed for the reason that much of the information used is obtained in confidence. The computation itself is entrusted to one of the leading economists and statisticians of the automotive industry.

The principal factor involved is that of factory consumption, the data being used along this line involving approximately 25 per cent of the total production of the motor car industry. Inasmuch as production of automobiles is adjusted to retail sales at relatively short intervals of time, this index really portrays to some extent the trend of motor car retail sales as well as of motor car production. The volume of business transacted by the automotive industry, including its tremendous consumption of many and varied types of products as glass, steel, paint, cotton, copper, etc., gives this index of motor activity much significance from the standpoint of the business of the country at large. The fact that it can be obtained weekly also contributes to making it one of the most valuable indices to general business conditions that have been thus far developed. This index has been carefully checked against retail sales and production of the automotive industry and its accuracy thereby demonstrated over a period of years.

The Fifth International Congress of the Technical Press will be held in Barcelona, Madrid and Seville, Spain, September 16-24, on the occasion of the Barcelona International Exposition.

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display Cash Basis Only. Remittance Must Accompany Order.

EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection, and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service, of recognized standing and reputation, through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements; your identity covered and present position protected. Established nineteen years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

SALESMEN WANTED

EXPERIENCED ADVERTISING SALESMAN wanted by long-established and nationally known weekly newspaper. Must know agency methods and be familiar with national accounts. Give full details, including experience, age, salary, etc. Correspondence strictly confidential. Box 820, Sales Management, 420 Lexington Ave., New York, N. Y.

DIRECT MAIL

PERSONALITY LETTERS. Increased facilities now permit me to add a few select clients for my services. Letters of any nature on any problem. Letters only, my specialty. Each problem individually treated. W. W. Halcomb, Turkey, Texas.

SALESMEN WANTED

FORTUNE IN AIRPLANE SALES—UNDER this plan a salesman should sell at least one Eaglerock a month—a net monthly income for him of from \$1,000 to \$1,500. Our two weeks' free sales training course makes you ready to get the money. We equip salesmen who qualify with a free demonstrator Eaglerock. You can offer buyers an easy plan of time purchase. Write for details. Alexander Aircraft Co., Dept. 16, Colorado Springs, Colo.

SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FOR our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nationwide, running to \$100,000 monthly. 35 years salesmanship-in-print experience back of our campaigns. Submit Sales problems for free diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

LINES WANTED

Representative of nationally known electrical manufacturer locating in San Francisco can give representation covering Pacific Coast on agency basis. Jobbing lines preferred. Correspondence solicited. Address Coast Agent, SALES MANAGEMENT, 420 Lexington Ave., New York, N. Y.

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PHOTOSTAT SERVICE

RAPID AND ECONOMICAL
FACSIMILES • ENLARGEMENTS • REDUCTIONS
Commerce Photo-Print Corporation
42 BROADWAY 80 MAIDEN LANE
Manover 8993 John 3697

BOOKLETS & HOUSE ORGANS

expertly written and economically produced
THE WORD SHOP
Commercial Dept.
4218 N. Lowell Ave. Chicago, Ill.
Edward P. Van Harlingen Telephone: Kildare 8642
Clement J. Kalas

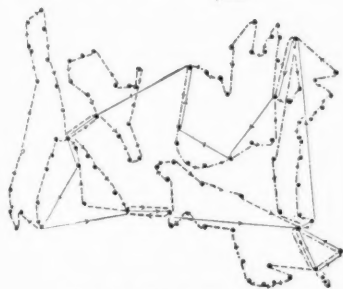
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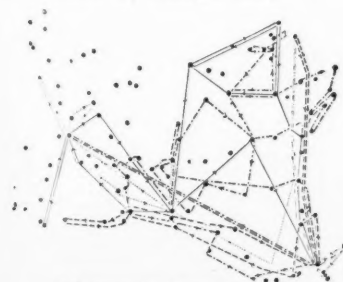
Saving Time, Mileage and Money

*The Tangible Result of Systematic Routings
worked out on Namapco Maps*



Standardized Routing

Travel mileage reduced by 9,400 miles and 47 new towns covered by systematic routing on Namapco Map.



Salesman's Own Routing

Routing previously followed, as laid out by salesman himself.

In commenting on the result of systematic routing of salesmen, worked out in their home office on their Namapco Maps (which is only one of the ways in which these maps are used), C. B. Ross, Sales Manager of the Wahl Company, Chicago, says:

"It will be interesting to other Sales Managers to know that in one territory we saved 9,400 miles of travel in the first year, as against the previous year when the salesman was routing himself. We were able to put him in 47 more towns and we actually secured business from 28 of them. This was done without sacrificing his time in the larger centers."

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Tell us what you sell, how and where, and we will show you the kind of a map system you should have, how you can use it effectively and profitably, and how you can add to it as your business grows. Address our home office, 908 Murphy Building, Indianapolis, Ind.

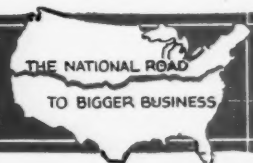
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